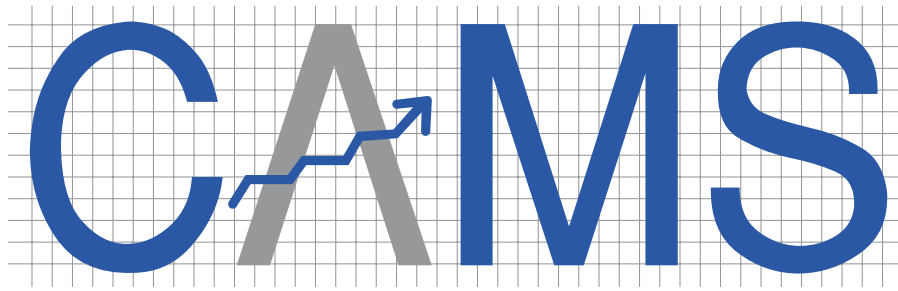


Our Mission... Your Growth



**Computer Age Management Services Limited**

**Annual Report 2019- 20**

## BOARD OF DIRECTORS



**Mr. Dinesh Kumar Mehrotra**  
Chairman & Independent Director



**Mr. Natarajan Srinivasan**  
Independent Director



**Mrs. Vijayalakshmi Rajaram Iyer**  
Independent Director



**Mr. V Srinivasa Rangan**  
Nominee Director



**Mr. Zubin Soli Dubash**  
Nominee Director



**Mr. Narendra Ostawal**  
Nominee Director



**Mr. Anuj Kumar**  
Wholetime Director

## CONTENTS

### CORPORATE OVERVIEW

I. Introducing CAMS .....	2
II. Our Edge – What sets us apart .....	2
III. Corporate Information.....	3
IV. Chairman’s Letter .....	4
V. Business Model & Product Portfolio .....	5

### MANAGEMENT OVERVIEW

VI. Management Discussion & Analysis .....	8
VII. Directors’ Report .....	10
VIII. Corporate Governance Report .....	43

### FINANCIAL STATEMENTS

Independent Auditors’ Report on Standalone Financial Statements .....	49
Standalone Financial Statements .....	54
Independent Auditors’ Report on Consolidated Financial Statements .....	99
Consolidated Financial Statements .....	104

## I. INTRODUCING CAMS

Computer Age Management Services Limited ('CAMS') has been a financial infrastructure and services provider to mutual funds and other financial institutions for over two decades and has built a reputation as the largest Registrar and Transfer Agency ('RTA') of mutual funds according to the report titled 'Assessment of the Mutual Fund Registrar and Transfer Agents Industry in India' issued by CRISIL dated January, 2020 ("**CRISIL Report**") and as a technology-driven financial infrastructure service solutions partner to alternate investment funds, insurance companies, banks, and non-banking finance companies. CAMS serves its end customers through a variety touch points such as pan India network of service centres, call centres, a B2C online mobile app and a self-service chatbot service.

## II. OUR EDGE – What sets us apart

- Serving as a SEBI regulated depository participant
- As a MF technology-driven financial infrastructure player, our delivery outcomes are enabled by technology and operational capabilities
- Data Security – Our Information Security Management System (ISMS) practices are stringent, and we are an ISO 270001:2013 certified company
- Led by a management team with extensive experience in a variety of financial services sectors and a large human resource pool
- Providing financial infrastructure and services to mutual funds and other financial institutions with over 2 decades track record

### III. CORPORATE INFORMATION

#### Board of Directors

Name of Director	Designation
Mr. Dinesh Kumar Mehrotra	Chairman & Independent Director – (w.e.f 17 <sup>th</sup> December 2019)
Mr. Natarajan Srinivasan	Independent Director (w.e.f 17 <sup>th</sup> December 2019)
Mrs. Vijayalakshmi Rajaram Iyer	Independent Director (w.e.f 17 <sup>th</sup> December 2019)
Mr. Vedanthachari Srinivasa Rangan	Director
Mr. Narendra Ostawal	Director
Mr. Zubin Soli Dubash	Director
Mr. Anuj Kumar	Whole-time Director and CEO

#### Registered Office

New No. 10, Old No. 178,  
MGR Salai, Nungambakkam,  
Chennai – 600 034.

#### Corporate Office

No 158, Rayala Towers  
Tower I , Anna Salai  
Chennai – 600 002

#### Audit Committee

Mr. Natarajan Srinivasan (Chairman – w.e.f. 30<sup>th</sup> January 2020)  
Mr. Dinesh Kumar Mehrotra (Chairman – up to 18<sup>th</sup> October 2019)  
Mrs. Vijayalakshmi Rajaram Iyer  
Mr. Zubin Soli Dubash

#### Nomination and Remuneration Committee

Mrs. Vijayalakshmi Rajaram Iyer (Chairperson)  
Mr. Dinesh Kumar Mehrotra  
Mr. Vedanthachari Srinivasa Rangan  
Mr. Narendra Ostawal

#### Stakeholders' Relationship Committee

Mr. Natarajan Srinivasan (Chairman)  
Mr. Narendra Ostawal  
Mr. Anuj Kumar

#### Listing Committee

Mr. Narendra Ostawal (Chairman)  
Mr. Vedanthachari Srinivasa Rangan

#### Corporate Social Responsibility Committee

Mr. Dinesh Kumar Mehrotra (Chairman)  
Mr. Zubin Soli Dubash  
Mrs. Vijayalakshmi Rajaram Iyer  
Mr. Anuj Kumar

#### Risk Management Committee

Mrs. Vijayalakshmi Rajaram Iyer (Chairperson)  
Mr. Natarajan Srinivasan  
Mr. Dinesh Kumar Mehrotra

#### IT Strategy Committee

Mr. Narendra Ostawal (Chairman)  
Mr. Anuj Kumar  
Mr. Vedanthachari Srinivasa Rangan  
Mr. Srikanth Tanikella  
Mr. Ravi Kethna  
Mr. Somasundaram

#### Technology Committee \*

Dr. N L Sarda (Chairman)  
Dr. Sivakumar  
Mrs. Ashalatha Govind

(\*committee of external members constituted in accordance with SEBI Circular CIR/MRD/DP13/2015, dated July 6th, 2015 on Cyber Security & Cyber Resilience framework.)

#### Statutory Auditors

##### Brahmayya & Co. (Chartered Accountants)

No 48, Masilamani Road  
Balaji Nagar, Royapettah, Chennai - 600014

#### Secretarial Auditors

##### B Chandra & Associates (Company Secretaries)

AG 3, Ragamallika 26 Kumaran Colony Main Road  
Vadapalani, Chennai - 600026

#### Bankers

##### HDFC Bank

759, ITC Centre, Anna Salai  
Chennai – 600002

##### RBL Bank

105/56, G N Chetty Road  
T Nagar, Chennai – 600017

#### Registrar and Transfer Agent

Link Intime India Private Limited  
C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083  
Tel: +91 22 4918 6200  
Email: cams.ipo@linkintime.co.in

## IV. CHAIRMAN'S LETTER

### Dear Shareholders,

I am pleased to present the Company's Thirty Second Annual Report. Your company has maintained a steady growth in profitability in the current macro-economic backdrop.

Currently, with the unprecedented events surrounding the worldwide outbreak of the COVID-19 the impact of this outbreak to the macro environment is still uncertain.

However, the concerned the financial year 2019-20 has been eventful reporting a Consolidated net profit of Rs.17,189.22 lakhs. Consolidated Total revenue of the Company for the financial year 2019-20 was Rs. 72,059.70 lakhs as compared to Rs.71,170.71 lakhs for the previous year.

The assets of the Indian mutual fund industry have grown consistently since financial year 2000. Especially in recent years, mutual funds in India have seen a robust growth. However, the penetration of mutual funds (AUM to GDP) is significantly lower in India than the world average. During the financial year 2019-20 while the overall AAUM of the MF industry was declining CAMS continued to retain its preeminent position in the MF RTA space.

CAMS offers a technology-driven financial infrastructure, with transactions through digital and electronic modes contributing significant part of the total inflows thus offering more convenience to its customers and enabling a wider customer base.

While CAMS has maintained a dominant market share and provided good results to its shareholders and is confident with its ability to meet customer expectations in this trying time, and is doing its best to mitigate the impact of the macroeconomic and other external environment related factors, it is expected that there could be strain on its profitability during FY21.

The company is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares through an offer for sale and the draft red herring prospectus has been filed with the Securities and Exchange Board of India on January 9 2020. We are committed to work towards creating value for our shareholders and customers even during this crisis to the best position of us. We are very grateful for the support we receive from our shareholders and other stakeholders.

**Dinesh Kumar Mehrotra**  
Chairman

## V. Business Model and Service Portfolio

**Professionally managed, institutionally owned, SEBI regulated entity engaged as an IT enabled service solution partner to BFSI players in India**

**Combines IT infrastructure, domain expertise, processing capabilities, physical and digital utilities to serve both as a B2B and B2C service partner**

### CAMS Service Solution

#### Regulatory

- PMLA administration
- Suspicious transaction reporting

#### Customer Service

- White label Website
- White label Call center - multi - lingual, multi - locational
- Complete Range of customer communication - statements, reports service requests, complaints resolution
- Customer Account Maintenance Service



#### Record Keeping

- Maintain customer data
- Maintain transaction Data

#### Account Creation

- Form checking
- Business rules adherence
- KYC verification
- Scan
- Cover to e data - OCR/ICR technologies
- set up account
- Image Archival

#### Transaction Processing

- Order acceptance( electronic, call, paper, mobile, ATM, SMS)
- Apply Business rules verification
- Process order
- Settle money side (pay-in/pay out) - electronic, cheques, mandates
- Transaction conformation to customer(email, text, physical)
- Commissions, Fees administration to intermediaries
- Reconciliation of Orders/Deliveries
- Reconciliation of Bank accounts with manufacture books

### Power of Technology

CAMS' MF technology platform has matured and has built-in interfaces to receive, process and deliver data with multiple market participants.

Backed by deep Mutual Fund domain knowledge, our in-house solution design team takes care of the continual upgrades and client specific customizations of the technology platform. Our technical infrastructure is scalable to support explosive growth without any architectural scalability issues. Our allied applications support CRM, Business Intelligence, Investor services, Distributor services, Regulatory and Compliance requirements. Image-based workflow processing gives us an edge in transaction processing.

While platform-based delivery is adopted for deriving the benefits of scale and standardization, there is significant degree of client level customization to support business requirements.

### IT Infrastructure

Reliable IT infrastructure that has demonstrated delivery capability for processing high volume of transactions. The infrastructure makes 24 x7 x 365 delivery possible with real time connectivity of geographically spread customer service centres and clients' branches across India with the centralized back offices. We run our own Data Centres on completely virtualized Hyper Converge Infrastructure (HCI) and build and host multiple Applications & hundreds of APIs.

### Information Security

At CAMS we see ourselves as custodians of customer data and maintain complete confidentiality of customers' data and use data for the sole purpose of servicing customers. Our policy is primarily aimed at protecting data and making it available only to the true owner. CAMS have no conflicting business interests. We are an ISO 27001:2013 certified company.

### Business Continuity

CAMS has multiple data centers including In-City and Off-City data center. Our network and data center infrastructure had redundancy built in at multiple levels. Our off-city BCP site at Coimbatore is a hot-site with over 500 staff with proven ability to execute critical deliverables.

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. CAMS works with several organizations across the country, helping keep their operations up and

running. The Company's back-office data processing solutions power the backbones of several companies in the Banking, Financial Services, and Insurance (BFSI) Sector – whose continued functioning is all the more critical during times of crisis. In response to the lockdowns, the Company launched a massive program to ensure business continuity of its services which allows critical employees to work remotely from the safety of their homes, while continuing to provide services to our customers.

### Power of People

Deep domain expertise gained over several years, has enabled our team to collaborate in a consultative role rather than as a service provider.

### Power of Quality

Being an ISO 9001:2015 certified company, CAMS ensures that the quality policy and defined processes are followed diligently.

### Operational Excellence, Compliance and Risk Management Practices

CAMS' risk management framework has self-governance practices with significant oversight. Operational risks are mitigated with systemic checks and controls to deliver consistent outcomes.

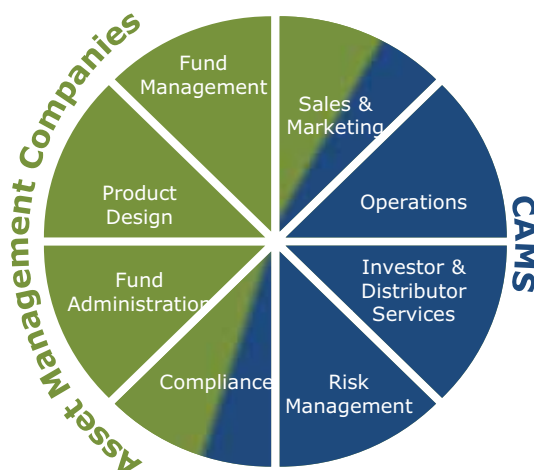
Using a customized software application, CAMS meets and the PMLA requirements and suspicious transaction reporting

### Power of Reach

With its service centres spread over 25 states and five union territories which are supported by call centres in four major cities, CAMS has nearly eliminated the manufactures' need to set up their own infrastructure.

Our service centers serve as "connector" for both acquisition support and post sales service support that are critical to investor and distributor services.

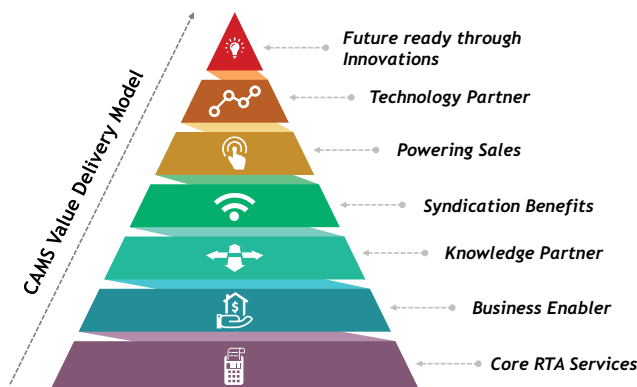
### Services for Mutual Funds



- Transfer Agency Services
- Customer Care Services
- Distributor Services

### Services for Alternative Investment Funds and Portfolio Management

- Leading service provider in the AIF/PMS space servicing over 80+ clients viz., IIFL, ICICI Prudential, Aditya Birla Capital, IDFC, DSP and several others.
- Servicing this industry since 2007 and have built a vast repository of knowledge and deep domain expertise over the 10+ years of engagement as a consulting partner



### Services for Private Insurance Companies



Marketing & Distribution	New Business & Underwriting	Policy Administration
Agency appointment <ul style="list-style-type: none"> <li>➤ Application scrutiny and processing</li> <li>➤ Training coordination</li> <li>➤ Agent on boarding</li> </ul> Branch operations/restructuring <ul style="list-style-type: none"> <li>➤ Outsourced branch back office operations(including implants)</li> <li>➤ Facility management</li> <li>➤ Branch in box</li> <li>➤ Collection centers</li> </ul>	New business application processing <ul style="list-style-type: none"> <li>➤ Issuance of policy document</li> <li>➤ Receipting, premium collection &amp; banking</li> <li>➤ ECS management</li> </ul>	Policy servicing <ul style="list-style-type: none"> <li>➤ Receiving and processing both financial and non-financial requests</li> </ul> Persistency <ul style="list-style-type: none"> <li>➤ Reminders for premium payment</li> <li>➤ Premium collection</li> <li>➤ Cheque pick-up &amp; banking</li> <li>➤ Receipting</li> </ul> Payout processing <ul style="list-style-type: none"> <li>➤ Customer and agent related payments</li> </ul>

### Services for CAMSPay Solutions

- Automated Clearing House (“ACH”) Aggregation Services
- ACH Value Proposition

### Products of the Company



## VI. Management Discussion and Analysis

The year 2019-20 has been an eventful year with unprecedented macroeconomic, regulatory and customer delivery challenges. With its strong focus on customer and operational excellence and financial prudence, CAMS has been able to navigate the tough business environment to produce good results for its shareholders.

During the first half of the FY 19-20, MF business continued to see a slowdown with substantial decrease in paper transaction volumes. In addition, environmental factors related to debt and cash funds have continue to unsettle the industry. Economic growth-related concerns did not abate with news about continuing NBFC and liquidity crisis and its impact on debt Mutual Funds.

In the second half of the year, the turnaround in the market with the index scaling up from October'19 and touching life-time highs in January' 20 supported the AuM to peak at Rs.28.1 trillion.

CAMS continued to focus on its digital strategies with a slew of digital properties made available to the market. Our digital properties continued to do well, set new milestones and we are now successfully engaging AMCs with white-labelled formats of these utilities so that the AMCs digital teams engage with us more deeply. myCAMS crossed the 3 million user mark during the year and continues to contribute a significant % of digital transactions. CAMServ, our chatbot, is now functional across some AMC websites in a white-labelled format. edge360, our new digital distributor platform, continues to gain usage and acceptance with more than 13000 distributors while GoCORP is now at 14.8% share of Gross sales of the Liquid transaction market (previous year @ 11%).

The Mutual Fund Regulatory environment continues to be intensive with a spate of fresh changes including substantial ones such as Stamp duty on MF transactions to be implemented shortly and imposition of withholding tax on dividend income emanating from the Union budget. The second half the financial year saw a slew of impactful regulatory changes which demand several systemic changes to be implemented in a short time. This year has also seen intense engagement of CAMS with SEBI on various issues of importance to the Mutual Fund industry.

### CAMS INITIATIVES

- **Automation & Risk** - Automation was the big focus area for the team in 2019-20 and several high impact projects were commenced during the year. The automation roadmap involved challenging and reimagining all current processes by cross-functional stakeholders from Product Management, Process management, Technology, and end-users in-order to bring about transformational changes.

During the year, the Company focused with a lot of success on reducing the overall risk in operating environment by addressing risks on key functions with Automation initiatives. The Company believes that the overall risk posture will stand significantly improved over the past.

Some of the major initiatives are introduced like Reconciliation Automation, Branch Scanning Brokerage Revamp will significantly improve the productivity and risk profile of operations.

- **Business Continuity Plan** - The Company has a Business Continuity Plan , which was tested during the COVID lockdown at the end of FY20. The Company ensured continued operations and serviced its customer even in the most uncertain and constrained external environment by using its tech and human resource prowess to quickly enable seamless migration of operations to CAMS BCP Centre and work from home environment without compromising on Information security and process accuracy.
- **Technology** - The Company has been investing in technology infrastructure and digital capabilities to transform the experience of MF investors and catalyze the growth of Mutual funds. It has introduced several products that have become market leaders through close monitoring of investor experience requirements and aligning product features to the same. With these concerted efforts, CAMS digital platforms are powering a significant % of digital transaction volumes.
- **Product offerings** - The year saw a sincere and serious attempt to put out in the market our platform capabilities built in the course of business, like Loan-against-MF product and Reconciliation-as-a-platform. The company expects that these initiatives will start to bear fruit in the FY 20-21.

### OTHER BUSINESSES

**CAMS Payment business** - CAMSPay business has witnessed significant milestone of processing 300+ Million of payment transactions (predominantly ACH and ECS) since its inception, making it one amongst the top non-bank payments aggregator in the country. CAMSPay delivered all the planned service launches - Net banking, Card payments, UPI collection and an innovative Insta-Link payment services saw their commercial launches the last 3-4 months.

**CAMS Insurance Business** – CAMS Insurance Repository Services Limited. Insurance penetration in India has continued to improve in the last few years with the insurance premium / GDP being 3.7% in 2018. It is a sunrise sector with opportunities for deeper penetration being substantial, as is evident by the insurance penetration for world and developed countries being more than twice the Indian average. Also, the share of non-life to total insurance is far higher for the world at approx. 45% as compared to approx. 25% in India – nonlife sector in India is likely to grow faster.

CAMS Insurance Repository primarily works with life insurance companies but is expanding its reach to the non-life segment as well. In the technology enabled processing service, it expanded service scope in the policy servicing business while the Insurance Repository maintained its growth trajectory and has more than 2.7 M policies, aided by our social media presence and new communication strategy. Importantly, CAMS improved Client Experience Index significantly to 77.4 and this was reflected in more demand for the renewals services where CAMS scaled up and added new clients.

**CAMS - Account Aggregator** - CAMS Financial Information Services Private Limited ('CAMS FIS'). The company has been awarded the account aggregator license after a year of diligent engagement with RBI. CAMS FIS received the Certificate of Registration (CoR). In the course of the company obtaining its CoR, there were substantial efforts taken to reach this goal, which included completing CISA audit certification, a large list of standards on security and infrastructure standards getting audited and certified.

The outlook for the Account Aggregator system is being seen as a major advancement to include larger, unserved credit seeking segment of the Indian population. CAMS FIS is expected to roll out this service in the year FY21.

## RISKS AND CONCERNS

The Company recognizes that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Company has a Risk Management Policy which defines the Risk Management framework to identify, assess and manage potential risks and opportunities. It provides a way for managers to make informed management decisions. The Risk Management Policy provides every level risk guideline encompassing key risk areas across the group such as Business Risk, Operational Risk, Technology Risk and Strategic Risk and Reputation Risk.

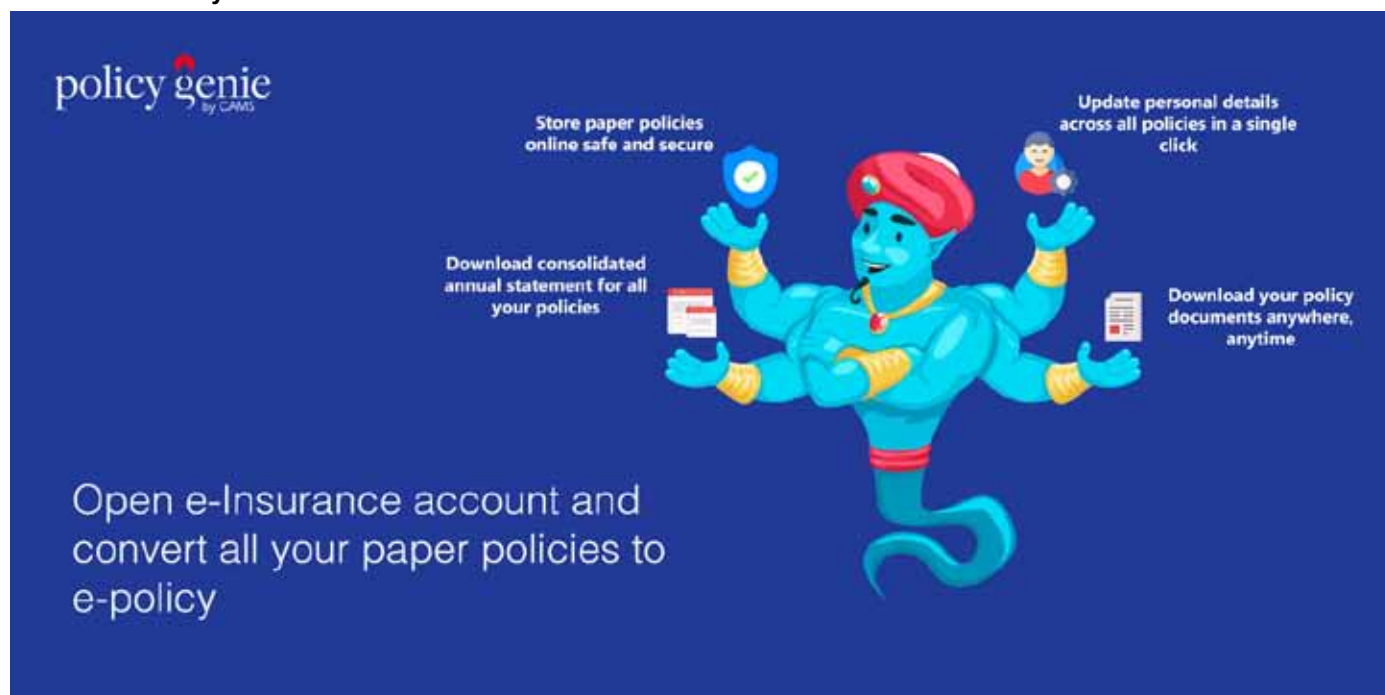
## INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an adequate internal controls system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Company conducts periodic internal audits in line with an audit plan that is drawn at the beginning of the year, which is approved by the Audit Committee. The scope of the exercise includes ensuring adequacy of internal control systems, adherence to management policies and compliance with the laws and regulations of the country. The Company's ERP system has appropriate controls embedded in its processes and systems to reduce the need and reliance for compensating manual controls. These have also been strengthened from time to time.

Internal audit reports are placed before the Audit Committee of the Board of Directors, which reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

## Advertisement by CAMS REP



The advertisement features a blue background with a central illustration of a multi-armed blue genie character wearing a red turban and yellow bangles. The character is holding several icons representing different services. The text is as follows:

- policy genie** by CAMS
- Store paper policies online safe and secure
- Update personal details across all policies in a single click
- Download consolidated annual statement for all your policies
- Download your policy documents anywhere, anytime
- Open e-Insurance account and convert all your paper policies to e-policy

## VII. Directors' Report

Dear Members,

Your Directors are pleased to present the Company's Thirty Second Annual Report and audited financial statements for the year ended 31<sup>st</sup> March 2020.

### A. FINANCIAL HIGHLIGHTS

The highlights of the **Consolidated Financial Results** are as follows:

Particulars	For the FY 2019-20 In Rs. Lakhs	For the FY 2018-19 In Rs. Lakhs
Revenue from Operations	69,962.99	69,364.39
Other Income	2,096.71	1,806.32
<b>Total Income</b>	<b>72,059.70</b>	<b>71,170.71</b>
Operating expenses	41,255.37	47,573.44
Depreciation	5,125.08	2,843.66
Interest	995.43	27.81
<b>Profit Before Tax</b>	<b>24,683.82</b>	<b>20,725.80</b>
Tax Expenses	7,494.60	7,208.07
<b>Profit for the year</b>	<b>17,189.22</b>	<b>13,517.73</b>
Other Comprehensive Income	(101.16)	(58.37)
<b>Total Comprehensive Income for the year</b>	<b>17,088.06</b>	<b>13,459.36</b>
<b>Earnings per Equity Share</b>		
Basic	35.24	27.61
Diluted	35.21	27.61
<b>Retained Earnings &amp; Reserves</b>	<b>50,009.64</b>	<b>40,298.77</b>

The highlights of the **Standalone Financial Results** are as follows:

Particulars	For the FY 2019-20 In Rs. Lakhs	For the FY 2018-19 In Rs. Lakhs
Revenue from Operations	66,145.81	65,134.84
Other Income	1,950.79	1,100.72
<b>Total Income</b>	<b>68,096.60</b>	<b>66,235.56</b>
Operating expenses	40,147.62	45,931.33
<b>Operating Profit</b>	<b>27,950</b>	<b>20,305</b>
Depreciation	4,594.10	2,651.19
Interest	827.97	27.81
<b>Profit Before Tax</b>	<b>22,526.91</b>	<b>17,625.23</b>
Tax Expenses	6,119.59	6,412.34
<b>Profit for the year</b>	<b>16,407.32</b>	<b>11,212.89</b>
Other Comprehensive Income	(61.46)	(63.24)
<b>Total Comprehensive Income for the year</b>	<b>16,345.86</b>	<b>11,149.65</b>
<b>Earnings per Equity Share</b>		
Basic	33.65	23.00
Diluted	33.63	23.00
<b>Retained Earnings &amp; Reserves</b>	<b>44,033</b>	<b>34,340</b>

## DIVIDENDS

During the year, your Directors declared and paid an interim dividend of Rs.5,938.97 lakhs.

The details are given below,

Particulars	Approval Date	Payment Date	Dividend per equity share	No. of Shares	Dividend paid
First Interim Dividend	25 June, 2019	28 June, 2019	3.00	48,760,000	146,280,000
Second Interim Dividend	5 September, 2019	6 September, 2019	3.50	48,760,000	170,660,000
Third Interim Dividend	17 December, 2019	20 December, 2019	5.68	48,760,000	276,956,800
		Total	12.18		59,38,96,800

The Annual General Meeting is scheduled to be held on 10<sup>th</sup> July 2020.

The Company has a Dividend Distribution Policy approved by the board on 2nd January 2020, containing the requirements prescribed in Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and is provided as Annexure I to this Report.

The Dividend Distribution Policy is as also available on the website of the Company at the web-link:

<https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

## B. RESERVES

The Company does not propose to transfer any amount to the Reserves.

## C. SHARE CAPITAL

There were no changes to the authorised share capital during the year.

On 1st April 2019, the Company established a share option scheme that entitles senior management employees of the Company and its subsidiaries to purchase shares in the Company. Under this scheme, a total of 248,994 options have been granted at an exercise price of Rs.614.70 per share (Market price per share – Rs.718).

During the year, one of the shareholders of the Company, Acsys Investments Private Limited sold 4,890,400 shares to Great Terrain Investment Limited and Faering Capital, through a Share Purchase Agreement.

The Issued, Subscribed and Paid up Share Capital of the Company as on 31st March 2020 was Rs.4,876 lakhs divided into 48,760,000 equity shares of Rs.10 each.

The major shareholders of the Company include NSE Investments Limited, Great Terrain Investments Limited, Faering Capital, HDFC Group and Acsys Investments Private Limited.

The Company has filed a draft red herring prospectus dated January 8, 2020 for an Initial Public Offer of up to 12164400 equity shares through an offer for sales. NSE Investments Limited, Great Terrain Investments Limited, Housing Development Finance Corporation Limited, Acsys Investments Pvt Ltd, HDB Employees Welfare Trust have severally confirmed their participation in the above offer for sale. These shares are proposed to be listed in the Bombay Stock Exchange.

In February 2020, SEBI has directed NSE Investments Limited to divest its stake in CAMS within a period of one year.

## E. STATE OF THE COMPANY'S AFFAIRS

Your Company serves as the technology enabled service solutions partner to Mutual Funds, Private Equity Funds, Private Banks, and Non-Banking Finance Companies. It also acts as Point of Service for National Pension Scheme, EPS facilitator for various clients and as Depository Participant for the investors. It also extends the facility of call centre operations to its various clients.

The Company is registered with the Securities and Exchange Board of India ('SEBI') to provide Registrar & Transfer Agency services to Mutual Funds. As a regulated organization, the Company brings highest standards to service delivery and adherence to regulations. The Company has been classified as a Qualified Registrar and Transfer Agent. The Company has also secured Service Organization Control Compliance SOC1 in accordance with SSAE 16 and SOC 2 under AICPA. The Company is also ISO 9001- 2008 and ISO 27001 certified.

Information on the operational and financial performance, among others, is provided in the Management Discussion and Analysis Report which forms part of the Annual Report and is in accordance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## F. SUBSIDIARY COMPANIES

As of 31<sup>st</sup> March 2020, your Company has 5 wholly owned subsidiaries (including 1 step-down subsidiary).

### **Domestic Subsidiaries**

**CAMS Insurance Repository Services Limited ("CAMS REP")** is licensed by IRDAI to offer Insurance Repository services to Insurance policy holders. The Company has developed outsourcing solutions for new business processing and policy holder services for leading private insurance companies. As on 31<sup>st</sup> March 2020, your Company held 100% of the paid-up equity share capital of CAMS REP (79% up to 31<sup>st</sup> May 2019). CAMS REP is serving the leading insurance companies which include Life, Health and General insurance companies.

**CAMS Investor Services Private Limited ("CAMS KRA")** is registered with Securities and Exchange Board of India as a KYC Registration Agency and is licensed to render the service of storing, safeguarding and retrieving KYC documents and for implementation of SEBI's vision of a harmonized KYC process.

**Sterling Software Private Limited ("SSPL")** is the software development arm for the group and brings high specialization in building technology solutions for financial services domain. Your Company is the major client for Sterling. Company is pursuing various avenues to grow the business of Sterling as a standalone entity.

**CAMS Financial Information Services Private Limited ("CAMS FIS")** has been incorporated for carrying on the business of "Account Aggregator" as a Non-Banking Financial Company. Reserve Bank of India ("RBI") has given the Certificate of Registration to carry on the activities. The Company is pursuing business development initiatives and looks at creating a sustainable market share for CAMS FinServ.

### **Foreign Subsidiary**

#### ***Sterling Software (Deutschland) GmbH ("SSGmbH")***

The entity is a wholly owned subsidiary of Sterling Software Private Limited incorporated in Germany and is engaged in the business of providing IT Software services and consultancy.

During the year, the Company has proposed to formulate an exit plan to wind down this German subsidiary. This decision has been taken due to new employment law regulations introduced in Germany, requirement to obtain an AUG or German labour license, long term commitment expectations from German clients and inadequacy of revenue from German operations to sustain itself on a standalone basis. Accordingly, the Company is in the process of formulating a wind down plan and this is expected to be initiated in the FY 2020-21.

A report on the performance and financial position of the subsidiaries whose financial statements are considered for preparation of Consolidated Financial Statements of the Company as per the Act (in the prescribed format i.e. "Form AOC-1") is provided as Annexure to the Consolidated Financial Statements.

The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the web <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

In accordance with the third proviso to Section 136(1) of the Act, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements are available on the Company's website <https://www.camsonline.com/FinancialDocument.aspx>.

Any Shareholder who may be interested in obtaining a copy of the aforesaid documents may write to the Company Secretary at the Company's Corporate Office. Further, the said documents will be available for examination by the Shareholders of the Company at its Registered Office during all working days except Saturday, Sunday, Public Holidays and National Holidays, between 10.00 AM to 12.00 Noon up to the date of the ensuing Annual General Meeting.

## G. RELATED PARTY TRANSACTIONS

During the year under review, all contracts and arrangements with related parties have been entered into by the Company in its ordinary course of business and at arm's length.

Details of the related party transactions have been detailed in the prescribed form AOC 2 and the same forms part of this report.

There were no materially significant related party transactions with the Promoters, Directors and Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

The RPT Policy as approved by the Audit Committee and the Board is available on the website of the Company at <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

Your Directors draw attention of the members to Note No. 32 to the Standalone Financial Statements which sets out related party disclosure.



## H. LOANS, GUARANTEES AND INVESTMENTS IN SECURITIES

As on 31<sup>st</sup> March 2020, the Company has not given loans, made investments or provided guarantees or securities as covered under Section 186 of the Companies Act, 2013. Details of investments of surplus funds in Mutual Funds and Bank deposits made in the regular course of the business have been included in Notes Nos. 5 and 10 of the Standalone Financial Statements.

## I. NO. OF BOARD MEETINGS HELD

During the Financial Year 2019-20, seven Board Meetings were held. The said meetings were held on 23<sup>rd</sup> May 2019, 25<sup>th</sup> June 2019, 5<sup>th</sup> September 2019, 18<sup>th</sup> October 2019, 17<sup>th</sup> December 2019, 2<sup>nd</sup> January 2020 and 20<sup>th</sup> March 2020. The maximum time gap between two Board Meetings was less than 120 days. Minutes of the meetings of all the Board and Committees are circulated to all the Directors.

The details of the Board Meetings and attendance of Directors are provided in the Corporate Governance Report, which forms a part of this Annual Report.

## J. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As of 31<sup>st</sup> March 2020, your Company had 7 Directors, which includes 3 Independent Directors and 3 Non-Executive Directors and 1 Executive Director.

### (i) Independent Directors (Non-Executive Directors)

Mr. Dinesh Kumar Mehrotra was appointed as the Chairman & Independent Director w.e.f **17th December, 2019** along with Mr. Natarajan Srinivasan and Mrs. Vijayalakshmi Rajaram Iyer as Independent Directors.

In accordance with the provisions of Section 149 of the Companies Act, 2013, the Independent Directors have given a declaration that they meet the criteria of independence as provided in the said Section and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (ii) Nominee Directors of Shareholders (Non-Executive Directors)

Mr. Narendra Ostawal and Mr Zubin Dubash nominated by Great Terrain Investment Ltd and Mr. Vedanthachari Srinivasan Rangan nominated by HDFC Group are Non-Executive Directors in the Board.

### (iii) Key Managerial Personnel

Mr. Anuj Kumar - appointed as the Chief Executive Officer with effect from 6<sup>th</sup> November, 2018.

Mr. M Somasundaram - appointed as the Chief Financial Officer with effect from 1<sup>st</sup> April, 2018.

Mr. G Manikandan - appointed as the Company Secretary with effect from 8<sup>th</sup> June, 2011.

The changes in Directorships of the Company during the year is provided in Annexure II to this report.

## K. PERFORMANCE EVALUATION OF THE BOARD

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulate the evaluation of the performance of the Board, its Committees, Individual Directors and the Chairperson.

The Company has formulated a Board Evaluation Policy for performance evaluation of the Independent Directors, the Board, its Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

The Policy provides the criteria for assessing the performance of Directors and comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights or inputs regarding future growth of the Company and its performance, ability to challenge views in a constructive manner, knowledge acquired with regard to the Company's business/ activities, understanding of industry and global trends, etc.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

Given that the Company is in the process of listing and is proposed to get listed in FY 21, compliances with respect to evaluation of the Board in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be carried out from FY 21.

## L. NOMINATION AND REMUNERATION POLICY

In accordance to Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Nomination and Remuneration Policy.

The policy is provided as Annexure III of this report.

#### M. INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

The Company has in place adequate internal financial controls commensurate with nature and size of the business activity and with reference to the financial statements. The controls comprise of policies and procedures for ensuring orderly and efficient conduct of the Company's business, including adherence to its 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.

The internal financial control system is supplemented by audits conducted by the Internal Auditors. The Audit Committee of the Board of Directors reviews the reports of the Auditors at its periodical meetings.

The Company has in place a Risk Management Policy for identification, assessment, measurement and reporting of business risks faced by the Company. The Risk Management Committee oversees the Risk Management framework on a periodic basis. Risk Control and Mitigation mechanisms are tested for their effectiveness on regular intervals.

#### N. AUDIT COMMITTEE

The Audit Committee comprises of :

- i. Mr. Natarajan Srinivasan - **Chairman**
- ii. Mr. Dinesh Kumar Mehrotra
- iii. Mrs. Vijayalakshmi Rajaram Iyer
- iv. Mr. Zubin Soli Dubash

During the year under review, all recommendations of the Audit Committee were accepted by the Board.

#### O. RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy which includes the following:

- The objective and scope
- Components of sound risk management system
- The risk management principles
- Risk governance structure and defining their roles and responsibilities
- Risk management framework defining risk, risk appetite/ risk tolerance, potential events, risk statement, risk indicators, risk management, risk attributes and risk factors

The policy is available on the website of the Company at the link: <https://www.camsonline.com/Downloads/Risk%20Management%20Policy.pdf>

#### P. WHISTLE BLOWER POLICY

In accordance with Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy which provides for adequate safeguards against victimization of persons who use Vigil Mechanism and make provision for direct access to the Chairperson of the Audit Committee.

The policy is available on the website of the Company at the link: <https://www.camsonline.com/Downloads/Whistleblower%20Policy.pdf>

#### Q. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with Section 135 of the Companies Act, 2013 the Company has a Corporate Social Responsibility (CSR) Committee consisting of the following Members:

- i. Mr. Dinesh Kumar Mehrotra - **Chairman**
- ii. Mr. Zubin Soli Dubash
- iii. Mrs. Vijayalakshmi Rajaram Iyer
- iv. Mr. Anuj Kumar



## R. CORPORATE SOCIAL RESPONSIBILITY REPORT

The Corporate Social Responsibility policy of the Company is available on the website of the Company at the link:

<https://www.camsonline.com/Downloads/CSR%20Policy.pdf>

The CSR initiatives undertaken by the Company during the year as per Annexure prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as “Annexure IV” to this Report.

## S. AUDITORS

### (i) Statutory Auditors

BRAHMAYYA & Co., Chartered Accountants (ICAI Firm Registration No.000511S), were appointed as Statutory Auditors of the Company at the 30<sup>th</sup> Annual General Meeting (“AGM”) to hold office for a period of five years, commencing from the conclusion of the 30<sup>th</sup> AGM held on 25<sup>th</sup> June, 2018 till the conclusion of the 35<sup>th</sup> AGM of the Company to be held in the year 2023.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The Auditor’s Report annexed to the financial statements for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

### (ii) Secretarial Auditors

The Company has appointed B Chandra & Associates, Company secretaries (Firm Registration no P2017TN065700) to conduct Secretarial Audit as per the requirements of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. B Chandra & Associates, Company Secretaries, and the management’s responses to the observations in the report is attached as Annexure V to the Board’s Report.

## T. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an appropriate Policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to prevent sexual harassment of its employees.

The Policy has been communicated internally to all employees and is made available on the Company’s Intranet Portal.

During the year under review, 4 cases were reported and were resolved appropriately. There were no open cases pending as on 31<sup>st</sup> March 2020.

## U. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are given as under :

- (i) **Conservation of energy** – The Company’s operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible.
- (ii) **Technology absorption** – The minimum technology required for the business has been absorbed.
- (iii) **Foreign exchange earnings and outgo** – The information on foreign exchange earnings and outgo is furnished in the Notes to the Accounts.

## V. OTHER DISCLOSURES

During the year under review, there has been no change in the nature of business of the Company.

There are no significant or material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31<sup>st</sup> March 2020 and the date of this Board’s Report.

No disclosure is required in respect of the details relating to the deposits under Chapter V of the Companies Act, 2013 as the Company has not accepted any deposits.

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

The Company is not required to maintain cost records under Section 148 of the Companies Act, 2013.

**W. DISCLOSURE UNDER SECTION 197 OF THE COMPANIES ACT, 2013**

The information as required under section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, forms part of this annual report.

Disclosures as required under rule 5(1) of the aforesaid rules are provided in Annexure VI to this Report.

**X. CORPORATE GOVERNANCE**

The Company is in the process of listing and has complied with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, to the extent applicable. The Company is in the process of setting up adequate processes and procedures to ensure compliance with all the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as applicable to a listed entity.

**Y. ANNUAL RETURN**

As per the provisions of Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the extract of the Annual Return as of March 31, 2020, in the prescribed form is annexed herewith as Annexure VII. The Annual Return of the Company has been placed on the website of the Company and can be accessed at [https://www.camsonline.com/COL\\_AboutUs.aspx](https://www.camsonline.com/COL_AboutUs.aspx)

**Z. DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with Section 134(5) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2020, the applicable accounting standards have been followed and there are no material deviations from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2020 and of the profit of the Company for year ended on that date;
- c) they have taken proper and sufficient care 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;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**AA. ACKNOWLEDGEMENTS**

Your Directors wish to thank the Asset Management Companies, alternate investment funds, Banks, NBFCs, insurance companies and the Bankers with whom the company is having business relationship and look forward to their continued support.

Your Directors would also like to thank Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and Pension Fund Regulatory and Development Authority for their guidance and support during the year and look forward for their continued support in future. Your Directors also wish to thank the shareholders for their continued guidance and support.

Your Directors also wish to place on record their appreciation of the concerted efforts by all the employees in extending full support in implementing various plans for the growth of your Company.

**For and on behalf of the Board**

Place: Chennai  
Date: 16th June 2020

**D K Mehrotra**

**Narendra Ostawal**

**Anuj Kumar**

## AWARDS & ACCOLADES



At the Drivers of Digital Awards, the company's Financial Apps - Viz myCAMS and GoCorp won the award for best use of Digital media/platform in the mutual fund category for the years 2017 & 2018 respectively.



At 4th Edition CX Strategy summit & awards 2018- myCAMS was awarded– Best Application of Technology.



At the Global Mobile App Summit and awards(GMASA) , myCAMS was awarded as the Best App under the Finance category for three consecutive years Viz 2015, 2016 & 2017

## ANNEXURE I TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020

### DIVIDEND DISTRIBUTION POLICY

#### OBJECTIVE

The objectives and purpose of this Policy is to lay down the criteria to be considered by the board of directors of the Company before recommending dividend to its shareholders for a financial year. Dividend for the purpose of this Policy includes Interim Dividend.

#### CRITERIA TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND:

The Board of the Company shall consider the following factors before recommending dividend:

##### Statutory and Regulatory Compliance:

The Company shall declare dividend only after ensuring compliance with the applicable regulatory requirements and policy of the Company. Policy recognizes that the Business of the Company is regulated, and the Company shall at all times comply with extant regulations and other applicable Law in conducting its Business and this Policy shall not constrain the Company in any manner in adhering to any regulatory requirements or framework prescribed by Law.

##### Financial Criteria:

- a. For dividend (except for interim dividend), out of profits of the Company for a financial year in the manner as provided under Section 123(1) of the Companies Act, 2013
- b. For any interim dividend, out of profits in the manner as provided under Section 123(3) of the Companies Act, 2013

##### Dividend Pay-out:

- a) The Company shall, subject to applicable law declare and distribute a minimum dividend (including dividend distribution and other taxes, cess, levies, if any relating to the dividend) of 65% (sixty five percent) of the consolidated profit, net of tax, of the Company for the relevant financial year. ("Target Pay-out")
- b) Clause (a) under this para will be deleted and substituted with this clause from the date of listing of shares of the Company:

The Company shall endeavour to, subject to applicable law, declare and distribute a dividend (including dividend distribution and other taxes, cess, levies, if any relating to the dividend) of 65% (sixty five percent) of the consolidated profit, net of tax, of the Company for the relevant financial year subject to availability of cash and equivalents and after taking into consideration capital expenditure and working capital requirements. ("Target Pay-out").

It is hereby clarified that any declaration of dividend for this purpose shall be calculated inclusive of dividend distribution tax and other taxes, cess, levies, if any related to the dividend, for such relevant financial year.

##### Deviation from the Dividend Distribution Policy:

(This para shall stand deleted from the date of listing of shares of the Company.)

Any deviation by the Company from the Target Pay-out shall require an approval by way of a special resolution passed by the shareholders of the Company in a general meeting.

Notwithstanding the above, the board of directors of the Company shall have the right to recommend and declare dividends in variance with this Dividend Distribution Policy if the board of directors of the Company is of the opinion that such deviation is necessary or required to meet any current or foreseeable regulatory norms/ other requirements.

##### Parameters for various classes of shares:

Currently, the Company does not have any other class of shares (including shares with differential voting rights) other than equity shares. In the absence of any other class of shares and/or shares with differential voting rights, the entire distributable profit for the purpose of declaration of dividend is considered for the equity shareholders.

##### Amendments/ Modifications:

To the extent any change/amendment is required in terms of any applicable law, the law would prevail over this Dividend Distribution Policy and the provisions in this Dividend Distribution Policy would be modified in due course to make it consistent with law. Such amended policy shall be placed before the Board for approval.

**ANNEXURE II TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2020**  
**CHANGES IN THE DIRECTORS DURING THE FINANCIAL YEAR 2019-2020.**

<b>S. No.</b>	<b>Date</b>	<b>Designation</b>	<b>Purpose</b>
1	10/07/2019	Whole time director	Change in Designation for Mr. Anuj Kumar
2	10/07/2019	Nominee Director	Change in Designation for Mr. NARENDRA OSTAWAL
3	10/07/2019	Nominee Director	Change in Designation for Mr. HOSHANG NOSHIRWAN SINOR
4	10/07/2019	Nominee Director	Change in Designation for Mr. DAVID ALAN COULTER
5	10/07/2019	Nominee Director	Change in Designation for Mr. ZUBIN SOLI DUBASH
6	06/12/2019	Nominee Director	Resignation of Mr. HOSHANG NOSHIRWAN SINOR
7	06/12/2019	Director	Resignation of Mr. DINESH KUMAR MEHROTRA
8	06/12/2019	Nominee director	Resignation of Mr. DAVID ALAN COULTER
9	18/12/2019	Nominee director	Cessation of Mr. JAGANNATHAN RAVICHANDRAN
10	17/12/2019	Additional director	Appointment of Mr. MUKESH AGARWAL
11	17/12/2019	Additional director	Appointment of Mr. NATARAJAN SRINIVASAN
12	17/12/2019	Additional director	Appointment of Mrs. VIJAYALAKSHMI RAJARAM IYER
13	17/12/2019	Additional director	Appointment of Mr. DINESH KUMAR MEHROTRA
14	23/12/2019	Independent Director	Change in Designation for Mr. NATARAJAN SRINIVASAN
15	23/12/2019	Independent Director	Change in Designation for Mrs. VIJAYALAKSHMI RAJARAM IYER
16	23/12/2019	Independent Director	Change in Designation for Mr. DINESH KUMAR MEHROTRA
17	23/12/2019	Nominee Director	Change in designation of MUKESH AGARWAL
18	17/02/2020	Nominee Director	Cessation of directorship of MUKESH AGARWAL

## ANNEXURE III TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020

### NOMINATION AND REMUNERATION POLICY

#### INTRODUCTION

The Nomination & Remuneration Policy of the Company is formulated under the requirements of applicable Laws, including the Companies Act, 2013 and the SEBI LODR Regulations. The Policy is intended to set out criteria to pay equitable remuneration to the Directors, Key Managerial Personnel (KMP), senior management (as defined below) and other employees of the Company and to harmonise the aspirations of human resources with the goals of the Company.

#### OBJECTIVE

The objectives and purpose of this Policy are:

- Ø To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company; and
- Ø To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the Board.

This includes reviewing and approving corporate goals and objectives relevant to the compensation of the executive Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve executive Directors' compensation based on this evaluation; making recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

#### CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted the "Nomination and Remuneration Committee" of the Board on November 13, 2007. This is in line with the requirements under the Companies Act, 2013. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

#### DEFINITIONS:

- a. 'Board' means Board of Directors of the Company.
- b. 'Directors' means Directors of the Company.
- c. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
- d. 'Company' means Computer Age Management Services Limited.
- e. 'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.
- f. 'Key Managerial Personnel (KMP)' means
  - i. the Managing Director or Chief Executive Officer or manager
  - ii. Whole-time Director
  - iii. the Company Secretary;
  - iv. the Chief Financial Officer; and v. Any other person as defined under the Companies Act, 2013 from time to time
- g. Senior Management means officers/personnel of the Company who are members of its core management team. The core management team includes Chief Executive Officer, Chief Operating Officer & Whole-time Directors, Senior Vice Presidents, and Vice Presidents Chief Financial Officer and Company Secretary.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### GENERAL:

This Policy is divided in three parts: -

**Part – A:** Covers the matters to be dealt with and recommended by the Committee to the Board;

**Part – B:** Covers the appointment and removal of Directors, KMP and Senior Management; and

**Part – C:** Covers remuneration for Directors, KMP and Senior Management

**Part A - Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The following matters shall be dealt with by the Committee:-

**(a) Size and composition of the Board:**

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

**(b) Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

**(c) Succession plans:**

Establishing and reviewing Board KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

**(d) Evaluation of performance:**

- i. Make recommendations to the Board on appropriate performance criteria for the Directors.
- ii. Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third party facilitator in doing so.
- iii. Identify ongoing training and education programs for the Board to ensure that Non Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

**(e) Board diversity:**

The Committee is to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives. The policy is hosted on the website of the Company

**(f) Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board on:

- a. Remuneration of executive Directors to be presented for shareholders' approval including severance, if any.
- b. Individual and total remuneration of non-executive Directors and the chairperson (if non-executive), including any additional fees payable for membership of Board committees.
- c. the remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
  - i. attract and motivate talent to pursue the Company's long-term growth.
  - ii. demonstrate a clear relationship between executive compensation and performance.
  - iii. be reasonable and fair, having regard to best governance practices and legal requirements balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals.
- d. the Company's incentive compensation and equity-based plans including a consideration of performance thresholds and regulatory and market requirements.

**Part B - Policy for appointment and removal of Directors, KMP and Senior Management**

**(a) Appointment criteria and qualifications**

1. The Committee shall ascertain the integrity, qualification, expertise, and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
2. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise, and experience for the position he / she is considered for.



3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise, and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / executive Director who has attained the age of sixty years and shall not appoint Independent Director who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of sixty years/seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond sixty years/seventy years as the case may be.

5. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

**(b) Term / Tenure**

**1. *Managing Director / Whole-time Director***

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**2. *Independent Director***

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

**(c) Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

**(d) Retirement**

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**PART – C Policy relating to the remuneration for Directors, KMP and Senior Management**

**(a) General**

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.

**(b) Remuneration to KMP and Senior Management**

The pay program for KMP and Senior Management has been designed around three primary pay components: Base/Fixed Pay, Performance Bonus and Stock Incentives. These three components together constitute the "Total Rewards" of the KMP and Senior Management.

1. *Base/ Fixed pay:* It is guaranteed pay and paid periodically, usually monthly or as per payroll policy.



2. *Performance Bonus:* Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.
3. *Stock Incentives:* Stock or Equity based incentives can be either time based or performance-based equity grants. Time based stock incentives, in the form of stock options, are granted based on continuation of service. Performance based stock incentives are generally granted annually, in the form of Stock Options upon the achievement of Company and individual goals. The stock incentives are governed by the “CAMS Employee Stock Option Plan 2019” approved by the shareholders or any other plan as may be amended.

The total rewards for KMP and Senior Management is designed to ensure their continued alignment with organizational goals. The Committee aims to ensure that KMP and Senior Management pay is reflective of market pay, consisting of a mix of base/ fixed pay, performance bonus and stock incentives. The emphasis on stock incentives ensures alignment with shareholders’ interests, through a continued focus on the Company’s sustainable, long term performance.

**(c) Remuneration to other employees**

The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Senior Management Team.

**(d) Minimum remuneration to Whole-time Directors**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013.

**(e) Remuneration to Non-Executive / Independent Directors**

- i. *Remuneration:* The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company’s performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.
- ii. *Stock incentive:* The Independent Directors shall not be entitled to any stock incentive of the Company.
- iii. The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

## ANNEXURE IV TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2020

### CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE YEAR 2019-20

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

#### THE COMPANY'S CSR POLICY

At Computer Age Management Services Limited. (CAMS) we believed that the business can generate value and long-term sustainability while making positive contribution to the betterment of the society through socially, environmentally and ethically responsible conduct of its operations.

The focus areas that have emerged are Educational and Vocational Training, Health Care, Care for Disabled and Destitute and Social Welfare Projects

The CSR Policy is available at the link:

<https://www.camsonline.com/Downloads/CSR%20Policy.pdf>

#### COMPOSITION OF THE CSR COMMITTEE

##### Members:

1. Mr. Dinesh Kumar Mehrotra, Independent Director & Chairman
2. Mr. Zubin Soli Dubash
3. Mrs. Vijayalakshmi Rajaram Iyer
4. Mr. Anuj Kumar

Changes in the Year:-

- Mr. H N Sinor resigned from the board on 6<sup>th</sup> December, 2019 and hence ceased to be a member of the committee
- Mr. V S Rangan ceased to be a member of the w.e.f. 17<sup>th</sup> December, 2019

#### Financial details (in INR)

The provisions pertaining to corporate social responsibility as prescribed under Section 135 of the Companies Act, 2013 are applicable to the Company. A summary of the financial details as sought under the Companies Act, 2013 are as follows-

Particulars (as per Section 198)	2017	2018	2019
Net profit for the year (in INR)	1,639,421,800	2,100,773,393	1,935,009,742
Average 3 yrs Adjusted Profits (in INR)			1,891,734,978
Estimated CSR contribution @ 2% of average profits (in INR)			37,834,700

#### Details of CSR spent during the financial year:

- a) Total amount to be spent for the financial year: Rs.37,841,937
- b) Amount unspent, if any: Nil

## c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project of Activity Identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in INR)	Amount spent on the projects or programs (in INR) Sub heads: (1) Direct expenditure on projects or programs. (2) Overheads*	Cumulative expenditure up to the reporting period (in INR)	Amount spent: Direct("D") or through Implementing agency("IA")
<b>A. Projects for Promoting Education and Employment enhancing Vocation Skills</b>							
1	Providing Education for the Economically weaker students	Promoting education livelihood enhancement	Chennai, Tamil Nadu	1,596,250	1,596,250	1,596,250	IA: RCMS
2			Chennai, Tamil Nadu	3,875,000	3,875,000	3,875,000	IA: eVidyaloka
3			Chennai, Tamil Nadu	1,224,000	1,224,000	1,224,000	IA: Sevalaya
4			Chennai, Tamil Nadu	1,440,000	1,440,000	1,440,000	IA: AIM for Seva
5			Chennai, Tamil Nadu	1,200,000	1,200,000	1,200,000	IA: Eureka Education Foundation
6			Chennai, Tamil Nadu	505,700	505,700	505,700	IA: PTP Trust
7			Chennai, Tamil Nadu	200,000	200,000	200,000	IA: Ganapathy Iyer Girl's Hr Sec School, Gopalapuram
8			Chennai, Tamil Nadu	1,063,888	1,063,888	1,063,888	IA: CRY
9			Mumbai	1,284,000	1,284,000	1,284,000	IA: Bright Kids foundation
10			Tamil Nadu	361,800	361,800	361,800	IA: Vidya Vanam
11	Providing Education for the Physically/ Mentally challenged students		Chennai, Tamil Nadu	2,268,000	2,268,000	2,268,000	IA: Arvind Foundation
12			Trichy	1,010,500	1,010,500	1,010,500	IA: Youth for Jobs
13			Chennai, Tamil Nadu	881,000	881,000	881,000	IA: Sri Arunodayam Charitable Trust
14			Chennai, Tamil Nadu	600,000	600,000	600,000	IA: Madras Dyslexia Association
15	Investor Protection & Consumer Education	Promoting education	Multi locations	3,404,000	3,404,000	3,404,000	IA: Finsafe
16	Providing Personal safety Education		Mumbai	1,055,160	1,055,160	1,055,160	IA: Arpan
17	Providing training to small scale Entrepreneur		Chennai, Tamil Nadu	1,483,333	1,483,333	1,483,333	IA: IIT
18	Infrastructure for the school		Thiruvahindrapuram, Tamil Nadu	1,600,000	1,600,000	1,600,000	IA: Sri Lakshmi Hayagriva Trust
19	Infrastructure for the school		Bangalore	500,000	500,000	500,000	IA: Chaitanya Vidyalaya
20	Infrastructure for the school		Mumbai	1,000,000	1,000,000	1,000,000	IA: Rotary Club of Mumbai Western Elite Charitable Trust

Sr. No.	CSR Project of Activity Identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in INR)	Amount spent on the projects or programs (in INR) Sub heads: (1) Direct expenditure on projects or programs. (2) Overheads*	Cumulative expenditure up to the reporting period (in INR)	Amount spent: Direct("D") or through Implementing agency("IA")
<b>B. Projects for Promoting Healthcare and Sanitation</b>							
21	Providing healthcare facility for the rural people	Promoting Preventive healthcare	Chennai, Tamil Nadu	1,500,000	1,500,000	1,500,000	IA: Sankara Nethralaya
22			Chennai, Tamil Nadu	1,375,500	1,375,500	1,375,500	IA: Sankara Nethralaya
23			Chennai, Tamil Nadu	1,000,000	1,000,000	1,000,000	IA: RCMS
24			Chennai, Tamil Nadu	1,569,600	1,569,600	1,569,600	IA: RMD Pain & Palliative Care Trust
25			Chennai, Tamil Nadu	1,200,000	1,200,000	1,200,000	IA: Dean Foundation
26			Chennai, Tamil Nadu	1,050,000	1,050,000	1,050,000	IA: DIRECT
27			Multiple Location	435,750	435,750	435,750	IA: Indian Cancer Society
28			Chennai, Tamil Nadu	739,550	739,550	739,550	IA: Soulfree
29			Multiple Location	450,000	450,000	450,000	IA: Kalp Foundation
30			Multiple Location	75,000	75,000	75,000	IA: Karnataka Cancer Society
31			Chennai, Tamil Nadu	500,000	500,000	500,000	IA: Hindu mission
32	Disaster relief		Mumbai	500,000	500,000	500,000	Direct: Flood relief project
33	Administrative Expenses relating to CSR			893,906	893,906	893,906	Expenses
	<b>Total</b>			<b>37,841,937</b>	<b>37,841,937</b>	<b>37,841,937</b>	

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

The Company has spent the requisite amount allocated by the Board for its CSR activities i.e. 2% of average net profit for the last three financial years.

**Responsibility Statement:** The Company is committed towards implementation and monitoring of the CSR activities in compliance with the CSR objectives and CSR Policy of the Company.

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

For **Computer Age Management Services Limited**

Mr. Dinesh Kumar Mehrotra  
Chairman - CSR Committee

Place : Chennai

Date : 16<sup>th</sup> June, 2020

## CORPORATE SOCIAL RESPONSIBILITY

### Our CSR Focus

CAMS has developed a CSR framework in line with Schedule VII of the Companies Act, 2013 which focuses on Education, Health with the aim of building better lives and improving the livelihood of the people.

CAMS Corporate Social Responsibility (CSR) philosophy endeavours to use the transformative power of education and technology to drive holistic community development—empowering the societies that we live and work in. With the purpose of creating sustainable value, the company has year-on-year steadfastly supported social initiatives that facilitate quality education, skill development, business-aligned social innovation, and environmental development projects.

#### Education

Special  
Education and  
Employment  
Enhancing  
Vocation Skills



Promoting  
Healthcare  
and Sanitation



### PROMOTION OF EDUCATION

CAMS believe that every individual is entitled to the Right to Education. We aim to accomplish this through various projects designed around educating the marginalised and backward sections of the society. These Projects generally cover the following:

- Support for the Economically weaker students
- Support for digital classroom for education at Rural locations
- Creation of infrastructure for the institutions serving students from low income group,
- Support for projects for Specially challenged students
- Personal safety education
- Entrepreneurial development.

The Company is trying to create a conducive learning environment in communities across the Country and promote earning. Projects like **eVidyaloka**, chudar, supported by CAMS, has helped teachers use innovative methods and activity-based teaching to address the students.

## SOME OF THE EDUCATION PROJECTS SUPPORTED BY US:

### AIM FOR SEVA



AIM for Seva provides education access through an innovative concept called Free Student Home. AIM for Seva was founded as

a Movement which essentially implies a network for service and to connect with people and bridge the rural and urban divide through education. The movement believes that it is through learning that young people from rural India can come out of poverty and eventually contribute to the nation's progress.

Free Student Home is a place where children receive not just easy access to a school, shelter, food and clothing, but are also provided with Value education, Life skills, IT skills, Extra-curricular activities. CAMS supports one such Home for its annual expenditure on expenditure on Hostel, food, education, books and uniform.

"CAMS has taken a comprehensive approach towards development, striving to maximise its impact and reach the unreached. Through its projects, the Company has already touched the lives of Thousands of people, and endeavours to build a more empowered India."

### Eureka Education Foundation/ Chudar



Chudar is based on the belief that every child can learn well, given the right inputs and environment has innovative educational content in Language,

Mathematics and Science resulting in improving children's learning.

CAMS supports the running costs of three centres which will cover the cost for the tutors, centre location expenses, learning material, supervision costs and having community events during the financial year.

### E- VIDYALOKA



eVidyaloka has developed an e learning platform for the rural children and connects the teachers and student, through live video classes. The teaching faculty are volunteers from across the Globe.

CAMS has supported in setting up of Digital classrooms in nine centres in the rural areas. The focus of this initiative is upon introducing unique teaching methodologies in schools to improve the quality of education and grasping of knowledge.



## CSR Interventions in Health Sector

CAMS understands and cherishes the importance of health and considers it extremely important to make people value their own health and that of the people around them.

The health programme of CAMS addresses primary healthcare issues around affordability and accessibility of quality healthcare. It strives to improve awareness and healthy living practices, and provides a range of healthcare services, spanning the entire life cycle.

### SANKARA NETHRALAYA

Sankara Nethralaya identifies the groups among small scale and cottages industry workers like sculptors, weavers, construction workers etc who need medical intervention for their vision which



will have on the productivity and quality of life. The agency organises camps for extending the treatment and provide the glasses and



solutions for them. Surgeries for under privileged people from rural background are also carried and CAMS is associated with these projects

### ARVIND FOUNDATION



An initiative with the aim of working towards benefiting **under privileged Children with Special Needs.** (Those children challenged with Autism, Cerebral Palsy, Down's syndrome, Mental Retardation, ADHD). CAMS is funding the expenditure for running one of the care centres.

### SRI ARUNODAYAM

Sri Arunodayam has been providing a safe and caring environment for abandoned intellectually challenged children in Chennai, India.

Special education teachers and caregivers work with children who have a wide variety of mental, emotional, physical, and learning disabilities.

Sri Arunodayam aims to ensure that all differently abled children are safe and enjoy equal opportunities. It assumes total responsibility and provide life-long care by providing them with nutritious food, accommodation, medical aid, special education, physiotherapy, and vocational training. CAMS is associated with this project.



## COVID -19 RELIEF

CAMS has always been active in supporting the society at the time of Natural Calamities as part of its CSR activities. Immediately after the outbreak of the Covid – 19 Pandemic, it involved itself in various activities

**Feed my Chennai** an initiative with the mission to feed 300000+ daily wage worker affected by lock down due to COVID 19. The food was carried in vehicles and distributed at centres across Chennai city

The families of the children studying in CAMS supported after-school centres run by **Chudar** were provided with the day to requirements during the lock down period. The NGO also Created and Disseminated awareness material in the regional language on different aspects of sanitization and preventive care.

CAMS Associated with **Aid India** which focused on to identifying and reaching out poorest communities and vulnerable sections like the physically challenged and elderly in each village that they have access to, with the help of its network of village teachers and trainers. Aid India also has been donating masks to Chennai Police and to Rajiv Gandhi Govt Hospital and to Anganwadi ICDS workers. It also supported the rehabilitation of the affected small business/vendors for re-establishing their business.





**ANNEXURE V TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020**  
**SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020**

To  
The Members,  
Computer Age Management Services Limited  
New No.10, Old No.178, M.G.R.Salai,  
Nungambakkam, Chennai 600034

Dear Sirs

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate, also taking into account the peculiar circumstances leading to the national lockdown imposed by the Government of India due to the pandemic, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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.

Signature:

Name of Company Secretary in Practice : B CHANDRA  
ACS No.: 20879  
C P No.: 7859

Place : Chennai  
Date : 16.06.2020

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

*Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members,  
Computer Age Management Services Limited  
New No.10, Old No.178, M.G.R.Salai,  
Nungambakkam, Chennai 600034

Dear Sir,

We, B Chandra & Associates, Practising Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COMPUTER AGE MANAGEMENT SERVICES LIMITED** bearing CIN **U65910TN1988PLC015757** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. SEBI Registrars to an Issue and Share Transfer Agent Regulations, 1993 and amendments thereof
- iv. National Securities Depository Limited - Bye Laws & Rules (Depository Participant and RTA) and amendments thereof
- v. Central Depository Services (India) Limited - Bye Laws & Rules (Depository Participant and RTA) and amendments thereof
- vi. The Prevention of Money Laundering Act 2002, PMLA Rules & amendments thereof
- vii. SEBI (Intermediaries) Regulations 2008 & amendments thereof
- viii. SEBI (KYC Registration Agency) Regulations 2011 and amendments thereof
- ix. Foreign Exchange Management Act and the regulations, to the extent applicable;

Based on the study of the systems and processes in place and a review of the reports of the Compliance officer placed before the Board of Directors of the Company and a confirmation given by the Management about the Compliances of other applicable laws, we report that the Company has complied with the provisions of all applicable statutes other than those mentioned above and the rules made there under to the extent it is applicable to them:

1. AMFI Guidelines and Norms for Intermediaries
2. AMFI Registered Mutual Fund Advisors (ARMFA)
3. Tamil Nadu Municipal Laws (Second Amendment) Act, 1998 The Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 &
4. The Contract Labour (Regulation and Abolition) Act, 1970 and The Tamil Nadu Contract Labour [Regulation & Abolition] Rules, 1975
5. The Employees Provident Funds and Miscellaneous Provisions Act, 1952 & The Employees Deposit-Linked Insurance Scheme, 1976 & The Employees Pension Scheme, 1995 and The Employees Provident Fund Scheme, 1952
6. Pension Fund Regulatory and Development authority – Rules & Guidelines (For New Pension System – POP/POP-SP Operations
7. The Employees State Insurance Act, 1948 & The Employees State Insurance (General) Regulations, 1950 & The Employees State Insurance Rules, 1950

8. The Environment (Protection) Act, 1986
9. The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
10. The Information Technology Act 2000 and The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011
11. The Information Technology Act, 2000
12. The Maternity Benefit Act, 1961 & The Tamil Nadu Maternity Benefit Rules, 1967
13. The Minimum Wages Act, 1948 and The Tamil Nadu Minimum Wages Rules, 1958
14. The Payment of Gratuity Act, 1972 & The Tamil Nadu Payment of Gratuity Rules, 1973
15. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
16. The Tamil Nadu Shops and Establishments Act, 1947 & The Tamil Nadu Shops and Establishments Rules, 1948

Except that

- a. *Approval of the Board under provisions of section 179 of the Companies Act 2013 for issue of shares under ESOP was carried out through circular resolution passed on 22-03-2019 with the approval of shareholders by way of ordinary resolution. Further the company had granted options under the ESOP scheme to the employees of its subsidiary companies during April 2019 which was only later approved by the shareholders in December 2019.*
- b. *While filing the e form for resignation of Directors during the year under review, the effective date of resignation mentioned is not in compliance with provisions of Section 168 of the Companies Act 2013.*

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the KMP/Board of Directors that took place during the period under review.
- b. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Based on the minutes made available to us, we report that Majority decision is carried through and that there were no dissenting votes from any Board member that was required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor, report deviations to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

We further that during the year under review, the company was converted into a Public Limited Company vide approval of Registrar of Companies, Chennai on 27.9.2019. The company had also filed a Draft Red Herring Prospectus with the Stock Exchange prior to issue to securities through Initial Public Offer and subsequent listing of the securities and the approval is awaited on the date of signing this report. The Company has allotted ESOP to 28 employees during April 2019.

Signature:

UDIN : A020879B000344939  
Place : Chennai  
Date : 16.06.2020

Name of Company Secretary in Practice : B CHANDRA  
ACS No.: 20879 C P No.: 7859  
Partner, B Chandra & associates

**Management responses to the observations made in the Secretarial audit report:**

A Secretarial Audit report as received from the Secretarial Auditor of the company is appended above.

The following are the observations in the report and appropriate actions as detailed below has been initiated.

Approval of the Board under provisions of section 179 of the Companies Act 2013 for issue of shares under ESOP was carried out through circular resolution passed on 22-03-2019 with the approval of shareholders by way of ordinary resolution. Further the company had granted options under the ESOP scheme to the employees of its subsidiary companies during April 2019 which was only later approved by the shareholders in December 2019.	The company has been advised by its legal counsel that passing of the circular resolution is in order and the approval of the shareholders obtained in December 2019 is adequate for the granting of options to the employees of subsidiary companies. The ESOP scheme approved by the shareholders in March 19 contained the approval for such allotment to the employees of the subsidiary companies, except that a separate resolution for the issuance was not passed, which was passed subsequently.
While filing the e form for resignation of Directors during the year under review, the effective date of resignation mentioned is not in compliance with provisions of Section 168 of the Companies Act 2013.	The date of acceptance by the Board was mentioned in the Form filed while it should have been the date on which the company received the resignation letter or from the date mentioned in the resignation letter whichever is later. The company has been advised by its legal counsel that the resignation will not be invalidated by the mention of the erroneous dates in the returns.

**ANNEXURE VI TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on Financial Year ended 31.03.2020**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U65910TN1988PLC015757
2.	Registration No	25.05.1988
3.	Name of the Company	Computer Age Management Services Limited
4.	Category/Sub- Category of the Company	Company Limited by shares / India Non-government Company
5.	Address of the Registered office & contact details	New No 10, MGR Salai. Nungambakkam Chennai, Tamil Nadu 600034
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial business processes management services	99831171	100%

**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)** Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
(1) <b>Indian</b>									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp. (Indian & Foreign)									
e. Banks / FI									
f. Any other	18284000			37.50	21224000			43.53	6.03%
Grand Total									
<b>B. Public</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	256000			0.53	256000			0.53	Nil
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp. (Indian)	27040848			55.45	24100848			49.43	(6.03%)
e) Bank	1623708			3.33	1623708			3.33	
Others (Trust)	1555444			3.19	1555444			3.19	
Grand Total	<b>48760000</b>			100	<b>48760000</b>			100	

**B) Shareholding of Promoter-**

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	GREAT TERRAIN INVESTMENT LTD	18,284,000	37.50	-	21,224,000	43.53	-	6.03

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

There has been a 6.03% increase in promoter's shareholding during the year. The promoter's stake for increased in April 2019.

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Shareholder as on 31 <sup>st</sup> March 2020	Shares	%
Great Terrain Investments Ltd	2,12,24,000	43.53
NSE Investments Limited	1,82,85,000	37.50
Faering Capital India Evolving Fund II	12,41,430	2.55
Faering Capital India Evolving Fund III	7,08,970	1.45
Acsys Investments Private Limited	9,44,724	1.94
Housing Development Finance Corporation Limited	29,20,724	5.99
HDFC Bank Ltd	16,23,708	3.33
HDB Employees Welfare Trust	15,55,444	3.19
Company Employees and Others	2,56,000	0.53
<b>TOTAL</b>	<b>4,87,60,000</b>	<b>100.00</b>

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No of shares	% of total shares of the company	No. of share	% of total shares of the company
	At the beginning of the year				
	1. M Somasundaram	40,000	0.08	40,000	0.08
	2.G. Manikandan	7,500	0.02	7,500	0.02
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc):	Nil	Nil	Nil	Nil
	At the End of the year				
	1. M Somasundaram	40,000	0.08	40,000	0.08
	2.G. Manikandan	7,500	0.02	7,500	0.02

**F) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

**The Company does not have any outstanding loans**

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

		Anuj Kumar (whole time director)*	G Manikandan (company Secretary)	M Somasundaram (CFO)
1	Gross salary			-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,19,26,753	61,60,492	1,30,21,529
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	88,75,000	7,25,000	22,78,000
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify			
	Total (A)	4,08,01,753	68,85,492	1,52,99,529
	Ceiling as per the Act	16,40,73,200	16,40,73,200	16,40,73,200

**B. Remuneration to other directors**

S N.	Particulars of Remuneration	Name of Directors & Total Amount
1	Independent Directors	See annexure
	Fee for attending board committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
2	Other Non-Executive Directors	
	Fee for attending board committee meetings	
	Commission	
	Others, please specify-Remuneration	
	Total (2)	
	Total (B)=(1+2)	
	Total Managerial Remuneration	
	Overall Ceiling as per the Act	

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTM**

NA

**VI. 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 (give Details)
A. COMPANY					
Penalty		NOT APPLICABLE			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		NOT APPLICABLE			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		NOT APPLICABLE			
Punishment					
Compounding					

**Annexure for sitting fees:-**

Name of the Director	V S Rangan	J Ravichandran	DK Mehrotra	H N Sinor	Mukesh Agarwal	Natarajan Srinivasan	Vijayalakshmi Iyer
Fees Paid	10,50,000	5,00,000	9,50,000	5,50,000	2,50,000	4,00,000	4,50,000

\*Notes:

- Mr. HN Sinor resigned wef 06/12/2019
- Mr. J Ravichandran resigned wef 18/12/2019
- Mr. Mukesh Agarwal resigned wef 17/02/2020



**FORM AOC 1****Statement containing salient features of the Financial Statements of Subsidiaries****(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 )**

S. No	Name of the Entity	Relationship	Share Capital	Reserves and Surplus (Other equity)	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for tax (Total tax)	Profit after Taxation	Other Comprehensive Income (net of tax)	Total Comprehensive income	% of Share-holding
1	Computer Age Management Services Limited	Parent	4,876	44,032.62	72,355.18	23,446.56	39,696.28	68,096.60	22,526.91	6,119.59	16,407.32	(61.46)	16,345.86	
2	CAMS Investor Services Pvt Ltd	Subsidiary	74.50	4,216.65	4,679.76	388.61	3,916.69	1,365.15	724.97	400.00	324.97	1.44	326.41	100%
3	CAMS Financial Information Services Pvt Ltd	Subsidiary	250.00	34.30	284.57	0.27	-	19.58	17.22	4.33	12.89	-	12.89	100%
4	Sterling Software Pvt Ltd	Subsidiary	50.95	4,106.24	5,582.33	1,425.14	3,226.12	6,013.71	1,362.86	396.69	966.17	(31.55)	934.62	100%
5	CAMS Insurance Repository Services Ltd	Subsidiary	454.17	3,435.23	5,562.49	1,673.09	3,663.05	2,597.72	399.49	452.36	(52.87)	(7.49)	(60.36)	100%
6	Sterling Software (Deutschland) GmbH	Subsidiary	531.64	(526.60)	126.63	121.59	-	294.52	(177.98)	-	(177.98)	(2.09)	(180.07)	100%

**FORM AOC 2**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with 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**

**[Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

a)	Name of the related party and nature of relationship	NOT APPLICABLE
b)	Nature of contracts/ arrangements/ transactions	
c)	Duration of the contracts/Arrangement	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Dates of approval by the Board	
g)	Amount paid as advances if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at arm's length basis**

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Rendering of Approved Person Services to CAMS Insurance Repository Services Limited
c)	Duration of the contracts/ arrangement	Five years from the date of approval of appointment
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Transaction fee for each service will be charged as mentioned in the agreement
e)	Dates of approval by the Board	26 <sup>th</sup> July, 2014
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Service Provider Agreement – for outsourcing services
c)	Duration of the contracts/ arrangement	Five Years from the date of approval from the appropriate authorities
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Company uses the front office network of CAMS for providing outsourced services to its Insurance clients. Company also uses the technology infrastructure and support functions of CAMS for carrying out its operations. As consideration for availing the above services, Company pays combination of fixed fee per month and transaction based fee.
e)	Dates of approval by the Board	26th July, 2014 & 11th September, 2015.
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Lease Agreement
c)	Duration of the contracts/ arrangement	Ten years from 13 <sup>th</sup> May, 2011 to 12th May,2021
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of rental of Rs.50,400 per annum
e)	Dates of approval by the Board	26 <sup>th</sup> July, 2014
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Investor Services Private Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Providing support services to CAMS Investor Services Private Limited
c)	Duration of the contracts/ arrangement	Perpetual with either party having an option to terminate with three months notice period
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Monthly fixed charges of Rs.1,50,000 and front office support provided by CAMS in respect of applications – Rs.12 Per / KYC
e)	Dates of approval by the Board	26 <sup>th</sup> July, 2014
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Investor Services Private Limited Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Lease Agreement
c)	Duration of the contracts/ arrangement	Ten Years commencing from 13 <sup>th</sup> February, 2012 to 12 <sup>th</sup> February, 2022
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of rental of Rs.1,20,000 per annum (Exclusive of taxes)
e)	Dates of approval by the Board	26 <sup>th</sup> July, 2014
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	Sterling Software Private Limited Subsidiary of holding company
b)	Nature of contracts/ arrangements/ transactions	Licensing of software
c)	Duration of the contracts/ arrangement	Perpetual with provision for termination with a three months notice. If terminated for business convenience six months notice
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	License fee of Rs. 35,000 per month for all products
e)	Dates of approval by the Board	26 <sup>th</sup> July, 2014
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	Sterling Software Private Limited Subsidiary of the holding company
b)	Nature of contracts/ arrangements/ transactions	Software maintenance services
c)	Duration of the contracts/ arrangement	Perpetual with provision for termination with a three months notice. If terminated for business convenience six months notice
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Fee will be charged as mentioned in the agreement.
e)	Dates of approval by the Board	26th July 2014 & 27 <sup>th</sup> June, 2017
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Office Space Agreement
c)	Duration of the contracts/ arrangement	Perpetual
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Fee will be charged as mentioned in the agreement.
e)	Dates of approval by the Board	5 <sup>th</sup> Nov, 2018, 25 <sup>th</sup> June, 2019
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Office Space Agreement
c)	Duration of the contracts/ arrangement	Perpetual
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Fee will be charged as mentioned in the agreement.
e)	Dates of approval by the Board	5 <sup>th</sup> Nov, 2018, 25 <sup>th</sup> June, 2019
f)	Amount paid as advances if any:	NIL

a)	Name of the related party and nature of relationship	CAMS Insurance Repository Services Limited. Subsidiary of the company
b)	Nature of contracts/ arrangements/ transactions	Service provider Agreement
c)	Duration of the contracts/ arrangement	Perpetual
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Fee will be charged as mentioned in the agreement.
e)	Dates of approval by the Board	25 <sup>th</sup> June, 2019
f)	Amount paid as advances if any:	NIL

## VIII. Corporate Governance Report

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to adopt Governance practices to manage the affairs of the Company in an ethical, accountable, transparent and fair way, with the blend of both legal and management practices, to imbibe the same in the decision making process of the Company, and to communicate the same accurately and timely, in such a way that both stakeholders' expectations and legal standards are met

Your Company has an active, experienced and a well-informed Board. Through the governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by encompassing best practices to support effective and ethical leadership, sustainability, and good corporate citizenship.

### BOARD OF DIRECTORS

#### Board Diversity and Composition

The Company recognizes the importance of a diverse board in its success and believes that a truly diverse board will leverage differences in perspective, knowledge, skill, industry experience, age, cultural and geographical backgrounds. In line with the same, the Company continues to have a balanced and diverse Board of Directors ("the Board"), which primarily takes care of the business needs and stakeholders' interest. The Board Diversity Policy adopted by the Board in this regard is available on Company's website at: <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

As on 31st March 2020, the Board of Directors comprises of 7 Directors, which includes 3 Independent Directors.

The composition of the Board is in conformity with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013.

The Directors do not have any relationships *inter-se* with each other. The Company has obtained declarations from each of the Directors the Board of the Company that they have not been debarred or disqualified from being appointed or continuing as directors of companies.

None of the Directors are members in more than 10 Committees or act as Chairperson of more than 5 Committees across all listed companies in which they are directors. All Directors have made disclosures about committee positions they occupy in other listed companies.

### BOARD MEETINGS

During the FY 2019-20, 7 meetings of the Board of Directors were held on the following dates 23<sup>rd</sup> May 2019, 25<sup>th</sup> June 2019, 5<sup>th</sup> September 2019, 18<sup>th</sup> October 2019, 17<sup>th</sup> December 2019, 2<sup>nd</sup> January 2020 and 20<sup>th</sup> March 2020

The attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting of the Company and Directorships and Committee positions held by the Directors in other companies are given below:

Name of the Director	Category	Board Meetings		Annual General Meeting	Committee Positions held	
		Held	Attended		Member	Chairman
Mr. D K Mehrotra – Chairman	Independent Director wef 23 Dec, 2019	7	7	No	Audit Committee, Nomination and Remuneration Committee, Risk Management Committee	Corporate Social Responsibility Committee
Mr. V S Rangan	Nominee Director	7	7	No	IT Strategy Committee, Listing Committee, Nomination and Remuneration Committee	
Mr. J Ravichandran (resigned wef 18 Dec, 2019)	Nominee Director	5	5	No		
Mr. Narendra Ostawal	Nominee Director	7	6	No	Nomination and Remuneration Committee, Stakeholders Relationship Committee	Listing Committee, IT Strategy Committee
Mr. H N Sinor (resigned wef 6 Dec, 2019)	Nominee Director	4	4	No		

Name of the Director	Category	Board Meetings		Annual General Meeting	Committee Positions held	
		Held	Attended		Member	Chairman
Mr. Zubin Soli Dubash	Nominee Director	7	5	No	Audit Committee, Corporate Social Responsibility Committee	
Mr. Anuj Kumar	Whole Time Director	7	7	Yes	Corporate Social Responsibility Committee, IT Strategy Committee, Stakeholders Relationship Committee	
Mr. Natarajan Srinivasan	Independent Director	3	3	Not applicable	Risk Management Committee	Audit Committee, Stakeholders Relationship Committee
Mrs. Vijayalakshmi Rajaram Iyer	Independent Director	3	3	Not applicable	Audit Committee, Corporate Social Responsibility Committee	Nomination and Remuneration Committee, Risk Management Committee
Mr. David Alan Coulter (resigned wef 6 Dec, 2019)	Nominee Director	4	1	No		
Mr. Mukesh Agarwal (resigned wef 17 Feb 2020)	Nominee Director	1	1	Not applicable		

## CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all members of the Board of Directors and Senior Management of the Company which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct is available on the Company's website. All members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct as on 31st March 2020.

## BOARD'S EXPERTISE, SKILLS AND COMPETENCIES

The Board has identified expertise in Capital Markets, strategic planning, financial analysis, risk management and macro-economics as the skills and competencies the Directors need to possess, in the context of the Company's business, for it to function effectively.

Industry Knowledge / Experience	Technical Skills / Experience	Behavioral Competencies
Financial and Capital Markets	Accounting and finance	Leadership and mentoring skills
Understanding of corporate laws, international laws and other rules, regulations and policies	Risk Management	Interpersonal relations
International Experience	Strategic Management	
	Legal and Compliance	
	Governance	

## INDEPENDENT DIRECTORS

The Independent Directors have submitted declarations that they meet the criteria of independence as provided in Regulation 16(1) (b) of the SEBI Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted a structured programme for orientation of Independent Directors at the time of their joining so as to familiarise them with the Company – its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

Pursuant to the provisions of the Act and Regulation 25(7) of the Listing Regulations, the Company has during the year conducted

familiarisation programmes (as part of the Board/Committee Meetings) for its Directors, which include

- i. Introduction of the industry, Business Model, Major Clients and Competitors,
- ii. Detailed presentation on the Mutual Fund Business
- iii. Briefing on the Financial Overview Key Performance Indicators, Monthly MIS documents shared with the Board, Introduction on the subsidiaries of the Company & their business model
- iv. Briefing on - the Roles, Rights, responsibilities of the Independent Directors as contained in the Companies Act, 2013 and the LODR 2015 - the Board procedures followed

Pursuant to Regulation 46 of the Listing Regulations, the details of familiarisation programmes are available on the website of the Company at the web-link:

<https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

## REMUNERATION

The Company has formulated a policy on remuneration of Directors and Senior Management Employees. While deciding on the remuneration for Directors, the Board and the NRC considers the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance and other relevant factors. The Board and the NRC regularly tracks the market trend in terms of compensation levels and practices in relevant industry. Policy on appointment of Directors and Senior Management, Policy on Remuneration of Directors and Policy on Remuneration of Key Managerial Personnel and Employees are available at the link: <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

The Independent Directors of the Company are paid sitting fees for attending the meetings of the Board and Committees thereof. The Independent Directors of the Company are not entitled to participate in Stock Option Scheme of the Company. The details of sitting fees paid to the Independent Directors during financial year 2019-20 are as under:

Name of Director	Sitting Fees Paid
Dinesh Kumar Mehrotra	450,000
Vijayalakshmi Rajaram Iyer	450,000
Natarajan Srinivasan	400,000

## AUDIT COMMITTEE

During the year under review, the Audit Committee comprised of 3 Independent Directors and 1 Non-Independent Director:

All members of the Audit Committee possess accounting and related financial management expertise.

During the year, the Audit Committee met 4 times on 25<sup>th</sup> June 2019, 18<sup>th</sup> October 2019, 30<sup>th</sup> January 2020 and 20<sup>th</sup> March, 2020

The composition of the Committee and details of the attendance of the members of the Committee meetings are as follows:

Name of the Member	Category	No of meeting the Member is required to attend (considering the date of their appointment/ Resignation)	Meetings Attended
Mr. Natarajan Srinivasan	Chairperson (from 30 <sup>th</sup> January 2020), Independent Director	2	2
Mr. Dinesh Kumar Mehrotra	Chairman (upto 18 <sup>th</sup> Oct 2019), Independent Director	4	4
Mrs. Vijayalakshmi Rajaram Iyer	Independent Director	2	2
Mr. Zubin Soli Dubash	Director	4	3

The Audit Committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Internal Auditors directly report to the Audit Committee.

The terms of reference of the Audit Committee *inter-alia* includes:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommendation for appointment and remuneration of auditors.
- 3) Reviewing with the management, the financial statements and auditor's report thereon before submission to the board for approval.

- 4) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- 5) Approval of transactions with related parties.
- 6) Scrutiny of inter-corporate loans and investments.
- 7) Evaluation of internal financial controls and risk management systems, adequacy of internal control systems.
- 8) Reviewing the adequacy and structure of the internal audit function, frequency of internal audit, discussion with internal auditors of any significant findings and follow up there on.
- 9) Reviewing the functioning of the Whistle Blower mechanism.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

During the year, the Nomination and Remuneration Committee met once on 20<sup>th</sup> March 2020.

The composition of the Committee and details of the attendance of the members of the Committee meetings are as follows:

<b>Name of the Member</b>	<b>Meetings Held</b>	<b>Meetings Attended</b>
Mrs. Vijayalakshmi Rajaram Iyer (Chairperson)	1	1
Mr. Dinesh Kumar Mehrotra	1	1
Mr. Vedanthachari Srinivasa Rangan	1	1
Mr. Narendra Ostawal	1	1

The terms of reference of the Nomination and Remuneration Committee *inter-alia* includes:

- 1) Identify individuals who are qualified to become Directors
- 2) Formulate appropriate policies which enable the identification of Directors and who may be appointed in senior management and formulate the criteria for determining qualifications, positive attributes and independence of Directors.
- 3) Recommend to the Board a policy for the remuneration and the remuneration to be paid for Directors and Key Managerial Personnel

#### **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

During the year, there was no meeting held by the Stakeholder's Relationship Committee.

The composition of the Committee are as follows:

##### **Name of the Member**

Mr. Natarajan Srinivasan  
Mr. Narendra Ostawal  
Mr. Anuj Kumar

The terms of reference of the Stakeholder's Relationship Committee *inter-alia* includes:

- 1) Review the Redressal of Investor's Complaints
- 2) Act on behalf of the Board, in the matters connected with allotment of shares, issuance of duplicate share, split and consolidation of shares, etc.
- 3) Oversee performance of the Registrar and Transfer Agents of the Company and recommend measures for overall improvement in the quality of investor services

#### **RISK MANAGEMENT COMMITTEE**

The Company has a well-defined risk management policy to assess and minimize risk. The Risk Governance Committee of the Company monitors and reviews the risk management plan. The Committee comprises of the following Directors:

- Mrs. Vijayalakshmi Rajaram Iyer (Chairperson)
- Mr. Natarajan Srinivasan
- Mr. Dinesh Kumar Mehrotra

During the year, the Committee met once on 24<sup>th</sup> June 2019.



**VIGIL MECHANISM**

The Company has in place a Whistle Blower Policy as Vigil Mechanism for directors and employees to report concerns.

The policy provides for adequate safeguards against victimization of directors or employees or any other person who avails the mechanism and provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

The Policy is available on the Company's website: <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

**RELATED PARTY TRANSACTIONS**

All related party transactions are entered into after obtaining prior approval of the Audit Committee.

There have been no materially significant related party transactions that would have potential conflict with the interests of the Company. All Material Related Party Transactions are approved by the Members of the Company.

The Policy on materiality of and dealing with the related party transactions as approved by the Audit Committee and the Board is available on the website of the Company at: <https://www.camsonline.com/Downloads/Corporate%20Governance%20Policies.pdf>

**GENERAL BODY MEETINGS**

Details of the last three Annual General Meetings are given below.

Year	Day & Date	Time	Location	Special Resolutions passed
2016-17	5 <sup>th</sup> July 2017 (Wednesday)	10.30 AM	Conference Room, Rayala Towers, 158, Anna Salai, Chennai 600 002	None
2017-18	25 <sup>th</sup> June 2018 (Monday)	4.00 PM	Conference Room, Rayala Towers, 158, Anna Salai, Chennai 600 002	Appointment of Mr. Jagannathan Ravichandran as Director; Approval for Mr. N K Prasad to hold an office or Place of Profit in the Company and approving the remuneration as approved by the Board.
2018-19	10 <sup>th</sup> July 2019 (Wednesday)	4.00 PM	Conference Room, Rayala Towers, 158, Anna Salai, Chennai 600 002	Appointment of the following persons as Directors: Mr. Anuj Kumar, Mr. Narendra Ostawal, Mr. H N Sinor, Mr. David Coulter, Mr. Zubin Soli Dubash

**MEANS OF COMMUNICATION**

The financial results of the Company are uploaded on the website of the Company: <https://www.camsonline.com/CamsDisclosure.aspx> and regularly submitted to the Stock Exchanges in accordance to the Listing Regulations

**GENERAL SHAREHOLDER INFORMATION**

Annual General Meeting date: 10<sup>th</sup> July 2020

Annual General Meeting time and venue : 12 Noon, through VC

Financial Year : 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020

Compliance Officer : Manikandan Gopalakrishnan, Company Secretary

Website : <https://www.camsonline.com>

E-mail : [secretarial@camsonline.com](mailto:secretarial@camsonline.com)

**CREDIT RATINGS**

The Company did not obtain any credit rating during the financial year 2019-20

## LISTING ON STOCK EXCHANGES

The has filed a draft red herring prospectus dated January 8, 2020 with the Securities and Exchange Board of India and proposes to list on the BSE Limited through an offer for sale.

## OTHER DISCLOSURES

During the year under review, the Company has complied with all the mandatory Corporate Governance requirements to the extent applicable to a company in the process of listing.

- 1) The financial statements have been prepared in accordance to the applicable accounting standards, the Indian Accounting standards (Ind-AS)
- 2) Five cases were reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and were resolved appropriately.
- 3) The Company has complied with the requirements of Corporate Governance as prescribed in Regulation 17 to 27, 46(2) (b) to (i), and Schedule V of chapter IV of the Listing Regulations to the extent applicable to a company in the process of listing. The Company is in the process of setting up adequate processes and procedures to ensure compliance with all the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations , 2015 as applicable to a listed entity.

## CEO / CFO CERTIFICATION

The Chief Financial Officer of the Company has certified to the Board regarding the Financial Statements and internal controls relating to financial reporting for the year ended 31st March 2020. The said Certificate is attached herewith as "Annexure I" and forms part of this Report.

### Registered Office

New no. 10, Old No. 178,  
MGR Salai, Nungambakkam,  
Chennai 600 034.

### Address for Correspondence

No 158, Rayala Towers, Tower I  
Anna Salai, Chennai 600 002

**ANNEXURE I TO THE CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31ST MARCH, 2020**  
**CEO /CFO CERTIFICATE**

**Dated : 16th June 2020**

**To**  
**The Board of Directors**  
**Computer Age Management Services Limited**

The financial statements and the cash flow statement of the Company for the year ended 31st March 2020 were reviewed and to the best of our knowledge and belief:

- a) these statements do not contain any materially untrue statement or omit any material act 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.
- There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- The responsibility for establishing and maintaining internal controls for financial reporting is on us and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of the internal controls.
- We have indicated to the Auditors and the Audit Committee that:
  - (i) there are no significant changes in the Company's internal control over financial reporting during the year;
  - (ii) there are no significant changes in accounting policies during the year; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**For Computer Age Management Services Limited**

Place: Chennai  
Date: 16th June 2020

**Anuj Kumar**  
Director and  
Chief Executive Officer

**M. Somasundaram**  
Chief Financial Officer

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

I hereby confirm that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March 2020.

Place: Chennai  
Date: 16th June 2020

**Anuj Kumar**  
Director and  
Chief Executive Officer

**M. Somasundaram**  
Chief Financial Officer

# Independent Auditor's Report

To the Members of **Computer Age Management Services Limited**

## Report on the Audit of the Standalone Financial Statements

### 1. Opinion

We have audited the Ind AS financial statements of **Computer Age Management Services Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in Equity and statement of Cash Flows for the year then ended, and notes to the Ind AS 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 Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Profit, changes in Equity and its Cash Flows for the year ended on that date.

### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Emphasis of Matter

We draw attention to Note No. 40 of the Financial Statements, which describes the uncertainties and the impact of COVID-19, wherein based on the prudence principles applied, the company did not find any adverse impact on its Financial Statements as on date with the available information and will continue to closely monitor developments based on the circumstances that may emerge. The assessment of the Management is dependent on the circumstances as they evolve considering the uncertainties prevailing in the economic situation.

Our opinion is not modified in respect of this matter.

### 4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon..

Our opinion on the 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### 5. Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

## **6. Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS Financial Statements.

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

- a) Identify and assess the risks of material misstatement of the 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.
- b) 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 Companies Act, 2013, 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

## **7. Report on Other Legal and Regulatory Requirements**

- i) 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 Companies Act, 2013, we give in the "**Annexure A**" to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii) 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, 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 financial statements – Refer Note 46 to the financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - (iii) There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

**For BRAHMAYYA & Co.**  
Chartered Accountants  
Firm Regn. No.000511S

**P. Babu**  
Partner

Place: Chennai  
Date: 16<sup>th</sup> June, 2020

Membership No.203358  
UDIN:20203358AAAAKQ3036

**“Annexure A” to the Auditors’ Report Referred to in paragraph 7 of our Report of Even Date**

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the Management during the year, in accordance with an annual plan of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of the fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- c) The title deeds of immovable properties are held in the name of the company.
2. In our opinion and 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 Act. Therefore, clauses (iii)(a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company for the year.
3. In our opinion and according to the information and explanations given to us, the company has not granted any loan to its directors and has not made any investment, provided any guarantee or security as envisaged in section 185 and 186 of the Companies Act, 2013 respectively.
4. The Company has not accepted any deposits from the public.
5. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
6. i) In our opinion and according to the information and explanations given to us, undisputed statutory dues, including Provident Fund, Employees State Insurance, Income tax, Goods and Service tax, cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2020 for a period of more than six months from the date they became payable.
- ii) In our opinion and according to the information and explanations given to us, there are no dues of Goods and Service tax which have not been deposited on account of any dispute. The dues in respect of Income tax and Service tax which have not been deposited on account of dispute are as follows:

Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Service Tax	Rs. 341.55 Lakhs	2013-14	CESTAT
Income Tax	Rs. 1223.40 Lakhs	Assessment Year 2017-18	Commissioner of Income Tax (Appeals)
Income Tax	Rs.40.61 Lakhs	Assessment Year 2018-19	Assessing officer

7. The Company does not have any borrowings from banks, financial institutions, government or by issue of debentures.
8. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or by way of term loans.
9. To the best of our knowledge and belief and according to the information and explanations given to us, during the year, no fraud by the Company and no material fraud on the Company by its officers or employees were noticed or reported during the course of our audit.
10. The company has paid/provided for managerial remuneration within the limits of sec 197 read with schedule V to the Act.
11. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
12. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
13. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
14. In our opinion and according to the information and explanations given to us, the nature of the Company's business/ activities during the year has been such that clause (ii), clause (xii) and clause (xvi) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company for the year.

**For BRAHMAYYA & Co.**  
Chartered Accountants  
Firm Regn. No.000511S

**P. Babu**  
Partner

Place: Chennai  
Date: 16<sup>th</sup> June, 2020

Membership No.203358  
UDIN:20203358AAAAKQ3036



## **“Annexure - B” to the Auditors’ Report Referred to in Paragraph 7 of Our Report of Even Date**

### **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 **Computer Age Management Services Limited** (“the Company”) as of 31 March 2020 in conjunction with our audit of the 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting 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 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**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For BRAHMAYYA & Co.**  
Chartered Accountants  
Firm Regn. No.000511S

**P. Babu**  
Partner

Membership No.203358

UDIN:20203358AAAAKQ3036

Place: Chennai

Date: 16<sup>th</sup> June, 2020

# Balance Sheet

as at 31st March 2020

Particulars	Note No.	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	4	6,398.16	6,932.68
Right to use assets		8,308.05	-
Intangible assets		1,074.72	1,787.44
Financial Assets			
- Investments	5	19,941.65	18,683.44
- Loans - Security deposit	7	1,008.33	992.19
- Other financial assets	8	20.00	-
Deferred tax assets (net)	26	747.80	1,041.51
Other non-current assets	12	28.93	358.18
<b>Total Non-Current Assets</b>		<b>37,527.64</b>	<b>29,795.44</b>
<b>2 Current assets</b>			
Financial Assets			
- Investments	5	19,754.63	13,600.20
- Trade Receivables	6	2,624.02	1,803.63
- Cash and Cash Equivalents	9	2,050.31	336.98
- Bank Balances other than Cash and Cash Equivalents		1,893.77	3,081.45
- Loans	7	57.02	56.55
- Other Financial Assets	8	564.22	21.81
Current Tax Assets (Net)	11	1,086.38	-
Other Current Assets	12	6,797.19	7,561.37
<b>Total Current Assets</b>		<b>34,827.54</b>	<b>26,461.99</b>
<b>TOTAL ASSETS</b>		<b>72,355.18</b>	<b>56,257.43</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Share Capital	13	4,876.00	4,876.00
Other Equity	14	44,032.62	34,340.25
<b>Total Equity</b>		<b>48,908.62</b>	<b>39,216.25</b>
<b>2 Non-current liabilities</b>			
Financial Liabilities			
- Other Financial Liabilities	16	6,427.30	-
Provisions	18	6,944.59	6,794.27
<b>Total Non-Current Liabilities</b>		<b>13,371.89</b>	<b>6,794.27</b>
<b>3 Current liabilities</b>			
Financial Liabilities			
- Dues to MSME	15	67.93	29.28
- Dues to Others		3,582.05	3,417.28
- Other Financial Liabilities	16	2,130.86	-
Other Current Liabilities		3,462.25	4,851.84
Provisions	18	831.58	1,535.26
Current Tax Liabilities (Net)	19	-	413.25
<b>Total Current Liabilities</b>		<b>10,074.67</b>	<b>10,246.91</b>
<b>Total Liabilities</b>		<b>23,446.56</b>	<b>17,041.18</b>
<b>Total Equity and Liabilities</b>		<b>72,355.18</b>	<b>56,257.43</b>
<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For Brahmayya & Co**  
Chartered Accountants  
Registration No : 000511S

For and on behalf of the Board of Directors

**P. Babu**  
Partner  
Membership No : 203358

**Natarajan Srinivasan**  
Director  
DIN NO : 00123338

**Narendra Ostawal**  
Director  
DIN NO : 06530414

**Anuj Kumar**  
CEO & Director  
DIN NO : 08268864

**M. Somasundaram**  
Chief Financial Officer

**G.Manikandan**  
Company Secretary

Place: Chennai  
Date: 16th June 2020

# Statement of Profit and Loss

for the Year ended 31st March 2020

Particulars	Note No.	For the Year ended 31 March 2020 In Rs. Lakhs	For the year ended 31 March 2019 In Rs. Lakhs
<b>I</b> Revenue from operations	20	66,145.81	65,134.84
<b>II</b> Other income	21	1,950.79	1,100.72
<b>III Total revenue</b>		<b>68,096.60</b>	<b>66,235.56</b>
<b>IV Expenses</b>			
Employee benefits expense	22	20,972.00	22,899.84
Finance costs	23	827.97	27.81
Depreciation and amortisation expense	4	4,594.10	2,651.19
Operating expenses	24	13,080.49	14,950.01
Other expenses	25	6,095.13	8,081.48
<b>Total expenses</b>		<b>45,569.69</b>	<b>48,610.33</b>
<b>V Profit/(loss) before exceptional items and tax</b>		22,526.91	17,625.23
Exceptional items		-	-
<b>VI Profit/(loss) before tax</b>		22,526.91	17,625.23
<b>VII Tax expense / (benefit):</b>			
Current tax	26	5,825.88	6,716.00
Deferred tax		293.71	-303.66
Net tax expense / (benefit)		<b>6,119.59</b>	<b>6,412.34</b>
<b>VIII Profit / (Loss) for the year</b>		16,407.32	11,212.89
<b>IX Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
- Remeasurements of the defined benefit liabilities / asset		-82.13	-97.20
Income tax relating to items that will not be reclassified to profit or loss		20.67	33.96
<b>Total Other Comprehensive Income / (Loss) (net off tax)</b>		<b>-61.46</b>	<b>-63.24</b>
<b>X Total Comprehensive Income</b>		<b>16,345.86</b>	<b>11,149.65</b>
<b>XI Earnings per share:</b>			
(a) Basic		33.65	23.00
(b) Diluted		33.63	23.00
<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For Brahmayya & Co**  
Chartered Accountants  
Registration No : 000511S

**P. Babu**  
Partner  
Membership No : 203358

**For and on behalf of the Board of Directors**

**Natarajan Srinivasan**  
Director  
DIN NO : 00123338

**M. Somasundaram**  
Chief Financial Officer

**Narendra Ostawal**  
Director  
DIN NO : 06530414

**G.Manikandan**  
Company Secretary

**Anuj Kumar**  
CEO & Director  
DIN NO : 08268864

Place: Chennai  
Date: 16th June 2020

# Cash Flow Statement

For the Year ended 31st March 2020

Particulars	For the Year ended 31 March 2020		For the year ended 31 March 2019	
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
<b>A. Cash flow from operating activities</b>				
Profit / (Loss) before extraordinary items and tax		22,526.91		17,625.23
<u>Adjustments for:</u>				
Depreciation and amortisation expense	4,594.10		2,651.19	
Items of Other Comprehensive Income	-82.13		-97.20	
(Profit) / loss on sale / write off of assets	20.73		16.71	
Expense on employee stock option scheme	304.45		-	
Finance costs	827.97		27.81	
Interest income	-94.85		-45.89	
Dividend income	-710.03		-	
Net (gain) / loss on sale of investments	-1,084.09		-1,557.38	
Adjustments to the carrying amount of investments	291.08		519.37	
Net of Expected Credit loss allowance for trade and other receivables, loans and advances and bad debts written off	0.21		27.90	
Operating profit / (loss) before working capital changes		26,594.35		19,167.74
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	-762.95		-368.89	
Other Financial Non-Current Assets	-20.00		-	
Other Non-Current Assets	-99.96		467.33	
Other Current Financial Assets	-557.39		-	
Other Current Assets	764.18		-606.02	
Change in Money held in trust	1,159.64		-1,800.10	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade Payables	203.42		59.38	
Provisions	-553.36		2,223.51	
Other Current Liabilities	-1,389.59		1,862.86	
Cash generated from operations		25,338.34		21,005.81
Net income tax (paid) / refunds		-7,327.87		-6,569.22
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>18,010.47</b>		<b>14,436.59</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-1,443.20		-3,436.58	
Proceeds from sale of fixed assets	17.39		23.11	
Bank balances - Fixed deposit maturing over 3 months	28.04		-11.49	
Net Sale / Purchase of current & non-current investments	-5,210.64		1,943.62	
Investment in subsidiary - CAMS Insurance Repository Services Ltd	-1,408.99		-	
Loans given - security deposit placed & staff loan	-16.61		-42.50	
Interest received	109.83		33.13	
Dividend received	710.03		-	
		-7,214.15		-1,490.70
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-7,214.15</b>		<b>-1,490.70</b>

# Cash Flow Statement

For the Year ended 31st March 2020

Particulars	For the Year ended 31 March 2020		For the year ended 31 March 2019	
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
<b>C. Cash flow from financing activities</b>				
Principal towards lease liabilities	-1,262.46		-	
Interest towards lease liabilities	-804.94		-	
Dividends paid	-7,015.59		-13,208.48	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>-9,082.99</b>		<b>-13,208.48</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>1,713.33</b>		<b>-262.60</b>
Cash and cash equivalents at the beginning of the period		336.98		599.58
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
<b>Cash and cash equivalents at the end of the year</b>		<b>2,050.31</b>		<b>336.98</b>

## Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
- (iii) Other non-current assets disclosed under "Operating activities" includes Prepaid portion of rental advances of Rs 429.21 lacs.

See accompanying notes forming part of the financial statements.

In terms of our report attached.

**For Brahmayya & Co**  
Chartered Accountants  
Registration No : 000511S

**P. Babu**  
Partner  
Membership No : 203358

**For and on behalf of the Board of Directors**

**Natarajan Srinivasan**  
Director  
DIN NO : 00123338

**M. Somasundaram**  
Chief Financial Officer

**Narendra Ostawal**  
Director  
DIN NO : 06530414

**G.Manikandan**  
Company Secretary

**Anuj Kumar**  
CEO & Director  
DIN NO : 08268864

Place: Chennai  
Date: 16th June 2020

## Statement of Changes in Equity

In Rs. Lakhs

### Statement of changes in Equity For the Year ended 31 March 2020

Particulars	Reserves & Surplus				Other Comprehensive income	Total
	Equity Share Capital	Employee Stock Option reserve	Retained earnings	General reserve		
Balance at the beginning of the reporting year	4,876.00	-	24,032.79	11,035.43	-727.97	39,216.25
Remeasurement of Net Benefit liability / Asset Net of tax	-	-	-	-	-61.46	-61.46
Dividends ( Including Dividend Tax )	-	-	-7,015.59	-	-	-7,015.59
Profit for the year	-	-	16,407.32	-	-	16,407.32
ESOP Amortisation for the reporting year	-	362.10	-	-	-	362.10
Balance at the end of the reporting year	4,876.00	362.10	33,424.52	11,035.43	-789.43	48,908.62

### Statement of changes in Equity For the year ended 31 March 2019

Particulars	Reserves & Surplus				Other Comprehensive income	Total
	Equity Share Capital	Employee Stock Option reserve	Retained earnings	General reserve		
Balance at the beginning of the reporting year	4,876.00	-	26,028.38	11,035.43	-664.73	41,275.08
Remeasurement of Net Benefit liability / Asset Net of tax	-	-	-	-	-63.24	-63.24
Dividends ( Including Dividend Tax )	-	-	-13,208.48	-	-	-13,208.48
Profit for the year	-	-	11,212.89	-	-	11,212.89
Balance at the end of the reporting year	4,876.00	-	24,032.79	11,035.43	-727.97	39,216.25

In terms of our report attached.

#### For Brahmayya & Co

Chartered Accountants  
Registration No : 000511S

#### P. Babu

Partner  
Membership No : 203358

#### For and on behalf of the Board of Directors

#### Natarajan Srinivasan

Director  
DIN NO : 00123338

#### M. Somasundaram

Chief Financial Officer

#### Narendra Ostawal

Director  
DIN NO : 06530414

#### G.Manikandan

Company Secretary

#### Anuj Kumar

CEO & Director  
DIN NO : 08268864

Place: Chennai

Date: 16th June 2020

# Basis of preparation and significant accounting policies

## 1. Reporting entity

Computer Age Management Services Limited ('CAMS' or 'Company') is India's largest Mutual Fund Transfer Agency serving over 69% of assets of the Indian mutual fund industry. As an integral part of the India's financial infrastructure, CAMS has built a reputation as the leading Transfer Agency to the Asset Management Industry of India and technology enabled service solutions partner to Private Equity Funds, Banks, Non-Banking Finance Companies.

The Company has been converted as Public limited Company with effect from 27<sup>th</sup> September 2019 and its Corporate identity Number is U65910TN1988PLC015757 issued by Registrar of companies, Chennai, Tamil Nadu.

## 2. Basis of preparation

### A. Statement of Compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 16<sup>th</sup> June 2020.

### B. Functional and Presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

### C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of net defined benefit obligation

### D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3(a) – Revenue Recognition

Note 3(b) – Classification of financial assets; assessment of business model within which the assets are held and assessment of whether the contractual terms of financial assets are solely payment of principal and interest on principal amount outstanding

Note 3(g) – Whether an arrangement contains a lease; assessment of lease term

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 are discussed below:

#### a) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cashflow model. The inputs to these models are taken from observable markets where possible. Where this is not feasible, a degree of judgement is required in establishing fair values. The judgement includes considerations of inputs such as liquidity risk, credit risk and volatility. Further details about fair value measurements are disclosed in Note 36.

#### b) Impairment of financial assets

Lifetime expected credit loss allowance is computed based on historical payment patterns, customer credit worthiness, customer concentrations, adjusted for forward looking information on collection. Further details about the expected credit loss allowance are disclosed in Note 36.

#### c) Useful life and residual value of property, plant and equipment and intangible assets

The charge in respect of depreciation is derived after estimating the asset's expected useful life and the expected residual value at the end of its life. The depreciation method, useful lives and residual values of the Company's assets are estimated by the management at the time the asset is acquired and reviewed at financial year end.



**d) Share based payments**

The Company initially measures the cost of equity settled transactions with employees using the Black Scholes model to determine the fair value of the options granted. Estimating the fair value of the share options granted require 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 the fair value for the share based payment transactions are disclosed in Note 37.

**ESOP accounting in subsidiaries:**

The Company has granted options on its equity instruments directly to the employees of the Subsidiary Companies (CAMS Insurance Repository Services Ltd and Sterling Software Private Limited) as consideration for the services provided to the Company. The Subsidiary Companies does not have an obligation to provide its employees with the equity instruments of CAMS. The expense incurred by CAMS pertaining to such options granted is recharged by Subsidiary companies.

Services received from the employees of the Subsidiary Companies are measured as equity-settled share-based payment transactions, and a corresponding payable to CAMS is recognised.

**e) Defined benefit plans (Gratuity)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about the gratuity obligation are disclosed in Note 27.

**f) Provisions and contingencies**

Assessments undertaken in recognizing provisions and contingencies are made as per the best judgement of the management based on the current available information. Provisions are reviewed at each accounting period and revisions made for the change in facts and circumstances.

**g) Impairment of non-financial assets**

The determination of recoverable amounts of the cash generating units assessed in an impairment test requires the Company to estimate their fair values net of disposal costs as well as their value-in-use. The assessment of value-in-use requires assumptions to be made with respect to the operating cash flows of the cash generating unit as well as discount rates.

**h) Income taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Company establishes provisions based on reasonable estimates, for possible consequences of assessment by the tax authorities of the jurisdiction in which it operates. The amount if such provision is based on various factors such as experience of previous tax assessments and differing interpretations of tax laws by the taxable entity and the responsible tax authority. The Company assesses the probability of litigation and subsequent cash outflow with respect to taxes.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**E. Measurement of fair values**

Fair value is the price that would be received from of 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 most advantageous market must be accessible to/ by the Company.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## F. Classification of assets and liabilities as current and non-current

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

All other assets are classified as non-current.

A **liability** is current when:

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

All other liabilities are classified as non-current.

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

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

## 3. Significant accounting policies

### a) Revenue

The Company recognizes revenue in a manner that depicts the transfer of promised goods or services to customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company recognizes revenue when or as a performance obligation is satisfied i.e. when control of the goods or services pertaining to the respective performance obligation is transferred to the customer.

Revenue from data processing services and customer care services are recognized based on agreements entered into with the customers as the services are rendered. Revenue is recognized only to the extent that it is highly probable that a significant reversal will not occur. The Company has adopted the output method to measure progress of each performance obligation except for those contracts where revenue is dependent on the number of resources deployed.

Recoverables represent expenses incurred in relation to services performed that are allocated and recovered from the customers based on the agreed terms and conditions.

Income from interest on deposits and interest-bearing securities is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rates.

Dividends are recognized in the Statement of Profit or Loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

### b) Financial Instruments

#### **Recognition and initial measurement**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date.

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

### ***Classification and subsequent measurement***

#### ***Financial assets***

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt investment;
- Fair Value through Other Comprehensive Income ('FVOCI') – equity investment; or
- Fair Value Through Profit and Loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### ***Business model assessment***

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

#### ***Assessment whether contractual cash flows are solely payments of principal and interest***

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

#### ***Subsequent recognition of gains and losses***

##### ***Financial assets at FVTPL***

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit or Loss.

##### ***Financial assets at amortised cost***

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit or Loss. Any gain or loss on derecognition is recognised in the Statement of Profit or Loss.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the:

- gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

**Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit or Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit or Loss.

**Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in Statement of Profit or Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the Statement of Profit or Loss.

**Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held for trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit or Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit or Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit or Loss.

**Derecognition****Financial assets**

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

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

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit or Loss.

**c) Impairment of financial assets**

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI - debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

#### **Measurement of expected Credit Loss**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### **Presentation of allowance for expected credit losses**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and charged to the Statement of Profit or Loss.

For debt securities at FVOCI, the loss allowance is charged to the Statement of Profit or Loss and is recognised in OCI.

#### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **d) Investment in subsidiaries**

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

#### **e) Property, plant and equipment**

##### **Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit or Loss.

##### **Subsequent expenditure**

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

##### **Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<b>Asset Block</b>	<b>Management estimate of useful life</b>
Building	60 years
Computers	3 to 6 years
Air Conditioners	15 years
Office Equipment	10 years
Electrical Fittings	10 years
Furniture & Fixtures	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

f) **Intangible assets**

**Initial recognition and measurement**

Intangible assets acquired separately are stated at cost less accumulated amortisation and any accumulated impairment losses.

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Statement of Profit or Loss as incurred.

**Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset Block	Management estimate of useful life
Software	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

g) **Leases**

During the year ended 31 March 2020, the Company has applied Ind AS 116 *Leases* using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17 *Leases*. The details of accounting policies under Ind AS 17 are disclosed separately.

**Policy applicable from 1 April 2019**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after 1 April 2019.

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

***Short-term leases and leases of low-value assets***

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

***Lease modifications***

A lease modification is accounted as a separate lease if the modification increases the scope of the lease by adding the right-of-use one or more underlying assets and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not a separate lease, at the effective date of the modification, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at that date. For lease modifications that decrease the scope of the lease, the carrying amount of the right-of-use asset is decreased to reflect the partial or full termination of the lease, and a gain or loss is recognised that reflects the proportionate decrease in scope. For all other lease modifications, a corresponding adjustment is made to the right-of-use asset.

***As a lessor***

The Company has given on sub-lease some of its premises to its subsidiaries. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

***Policy applicable before 1 April 2019******As a lessee***

In the comparative period, as a lessee the Company classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. Assets held under other leases were classified as operating leases and were not recognised on the Company's balance sheet. Payments made under operating leases were recognized in Statement of Profit or Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

***As a lessor***

When the Company acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease. To classify each lease, the Company made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying asset. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Company considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

**h) Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates the cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGU').

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the CGU (or the asset).

Where it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit or Loss.

**i) Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit or Loss, except exchange differences arising from the translation of equity investments at fair value through OCI, which are recognised in OCI.



**j) Employee benefits****i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit or Loss in the periods during which the related services are rendered by employees.

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The contributions made to the fund are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized on the Balance Sheet.

When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit or Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv. Other long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders related service are recognized as a liability at the present value of the obligation as at the Balance Sheet date less fair value of the plan assets out of which the obligations are expected to be settled. The cost of providing benefits is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit or Loss in the period in which they arise.

**v. Share-based payment transactions**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to Employee Stock Option Reserve account in Reserves & Surplus.

**k) Income taxes**

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

Current and deferred taxes are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

**l) Provisions, Contingent liabilities and Contingent assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and risks specific to the liability. When discounted, the increase in provision due to the passage of time is recognized as finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are disclosed where an inflow of economic benefit is probable.

**Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

**m) Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**n) Cash and cash equivalents**

Cash and cash equivalents are short-term highly liquid investments that are readily convertible into cash with original maturities of three months or less. Cash and cash equivalents consist primarily of cash and deposits with banks.

**o) Cash flow statement**

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

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 4 Property, Plant and Equipment

### I. Current period

Sl. No.	Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				In Rs. Lakhs	
		Balance as at 01 April 2019	Additions	Disposals/ Adjustments	Balance as at 31 March 2020	Balance as at 01 April 2019	Depreciation Expense for the period	Elimination on Disposal/ Adjustments of Assets	Balance as at 31 March 2020	Balance as at 31 March 2019	Net Block
1	Land	2,439.21	-	-	2,439.21	-	-	-	2,439.21	2,439.21	
2	Buildings	503.48	-	-	503.48	201.41	14.48	0.00	215.89	287.59	302.07
3	Plant & Equipment	472.23	111.65	65.94	517.94	252.99	46.85	56.91	242.93	275.01	219.24
4	Furniture & Fixtures	2,029.04	74.82	101.67	2,002.19	1,245.41	227.70	91.21	1,381.90	620.29	783.63
5	Office equipments	990.88	92.43	41.49	1,041.82	715.94	138.57	38.21	816.30	225.52	274.94
6	Computer	8,900.85	927.28	232.67	9,595.46	6,193.62	1,235.10	218.58	7,210.14	2,385.32	2,707.23
7	Electrical Fittings	569.79	16.55	24.91	561.43	363.43	56.44	23.66	396.21	165.22	206.36
	<b>Total</b>	<b>15,905.48</b>	<b>1,222.73</b>	<b>486.68</b>	<b>16,661.53</b>	<b>8,972.80</b>	<b>1,719.14</b>	<b>428.57</b>	<b>10,263.37</b>	<b>6,398.16</b>	<b>6,932.68</b>

### b) ROU Assets

Sl. No.	Right to use assets	Gross Block				Accumulated Depreciation				In Rs. Lakhs	
		Balance as at 01 April 2019	Recognition of ROU Asset on initial application of Ind AS 116	Adjusted Balance as at 01 April 2019	Additions/ disposals/ adjustments during the year	Balance as at 31 March 2020	Balance as at 01 April 2019	Recognition of ROU Asset on initial application of Ind AS 116	Adjusted Balance as at 01 April 2019	Depreciation Expense for the period	Balance as at 31 March 2020
1	Leasehold improvements	-	10,252.51	10,252.51	2.69	10,249.82	-	-	-	1,941.77	1,941.77
	<b>Total</b>	<b>-</b>	<b>10,252.51</b>	<b>10,252.51</b>	<b>2.69</b>	<b>10,249.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,941.77</b>	<b>1,941.77</b>

### c) Intangible Assets

#### I. Current period

Sl. No.	Intangible Assets - Owned/ Acquired	Gross Block				Accumulated Amortisation				In Rs. Lakhs	
		Balance as at 01 April 2019	Additions	Disposals/ Adjustments	Balance as at 31 March 2020	Balance as at 01 April 2019	Depreciation Expense for the period	Elimination on Disposal/ Adjustments of Assets	Balance as at 31 March 2020	Balance as at 31 March 2019	Net Block
1	Software	4,740.85	220.47	0.00	4,961.32	2,953.41	933.19	0.00	3,886.60	1,074.72	1,787.44
	<b>Total</b>	<b>4,740.85</b>	<b>220.47</b>	<b>0.00</b>	<b>4,961.32</b>	<b>2,953.41</b>	<b>933.19</b>	<b>0.00</b>	<b>3,886.60</b>	<b>1,074.72</b>	<b>1,787.44</b>

#### Depreciation and amortisation expense

		Particulars		For the period ended 31 March 2020	
(a)	Depreciation of Property, Plant and Equipment				1,719.14
(b)	Depreciation on Right to use assets				1,941.77
(c)	Amortisation of Intangible Assets				933.19
	<b>Total</b>				<b>4,594.10</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## II. Previous Year

Sl. No.	Property, Plant and Equipment - Owned/ Acquired	Gross Block			Accumulated Depreciation			Net Block		In Rs. Lakhs
		Balance as at 01 April 2018	Additions	Disposals/ Adjustments	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation Expense for the year	Elimination on Disposal/ Adjustments of Assets	Balance as at 31 March 2019	
1	Land	2,439.21	-	-	2,439.21	-	-	-	2,439.21	2,439.21
2	Buildings	503.48	-	-	503.48	186.38	15.21	0.18	302.07	317.10
3	Plant & Equipment	389.04	98.66	15.47	472.23	227.89	37.75	12.65	219.24	161.15
4	Furniture & Fixtures	1,654.45	477.98	103.39	2,029.04	1,083.65	253.64	91.88	783.63	570.80
5	Office equipments	870.40	192.28	71.80	990.88	610.61	172.20	66.87	274.94	259.79
6	Computer	7,793.91	1,409.02	302.08	8,900.85	5,001.57	1,478.12	286.07	2,707.23	2,792.34
7	Electrical Fittings	495.58	100.41	26.20	569.79	326.91	57.99	21.47	206.36	188.67
	Total	14,146.07	2,278.35	518.94	15,905.48	7,437.01	2,014.91	479.12	6,932.68	6,709.06

### Intangible Assets

Sl. No.	Intangible Assets - Owned/ Acquired	Gross Block			Accumulated Amortisation			Net Block		
		Balance as at 01 April 2018	Additions	Disposals/ Adjustments	Balance as at 31 March 2019	Balance as at 01 April 2018	Amortisation Expense for the year	Elimination on Disposal/ Adjustments of Assets	Balance as at 31 March 2019	Balance as at 31 March 2018
1	Software	3,582.63	1,158.23	0.01	4,740.85	2,317.13	636.29	0.01	2,953.41	1,265.50
	Total	3,582.63	1,158.23	0.01	4,740.85	2,317.13	636.29	0.01	2,953.41	1,265.50

### Depreciation and amortisation expense

Particulars		For the year ended 31 March 2019
(a) Depreciation of Property, Plant and Equipment		2,014.91
(b) Amortisation of Intangible Assets		636.29
<b>Total</b>		<b>2,651.19</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 5 Investment

Particulars	As at 31 March 2020			As at 31 March 2019		
	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Total In Rs. Lakhs	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Total In Rs. Lakhs
<b>Investments carried at cost</b>						
<b>Unquoted Investments</b>						
Investment in equity instruments of subsidiaries	-	19,888.35	19,888.35	-	18,479.36	18,479.36
<b>Designated as Fair Value Through Profit and Loss</b>						
<b>Quoted investments</b>						
Investments in Government or trust securities	-	53.30	53.30	-	53.96	53.96
Investments in Mutual fund	19,754.63	-	19,754.63	13,600.20	150.12	13,750.32
<b>Total</b>	<b>19,754.63</b>	<b>19,941.65</b>	<b>39,696.28</b>	<b>13,600.20</b>	<b>18,683.44</b>	<b>32,283.64</b>

### Investment in Subsidiaries comprises

Particulars	As at 31 March 2020			As at 31 March 2019		
	Holding (in shares)	Cost In Rs. Lakhs	Market Value In Rs. Lakhs	Holding (in shares)	Cost In Rs. Lakhs	Market Value In Rs. Lakhs
CAMS Insurance Repository Services Ltd	45,41,670	3,631.35	Not Applicable	35,87,750	2,222.36	Not Applicable
CAMS Investor Services Pvt Ltd	7,45,000	2,507.00		7,45,000	2,507.00	
Sterling Software Pvt Ltd	5,09,461	13,500.00		5,09,461	13,500.00	
CAMS Financial Information services Pvt Ltd	24,99,999	250.00		24,99,999	250.00	
<b>Total</b>		<b>19,888.35</b>			<b>18,479.36</b>	

### Investment (Other than subsidiaries) comprises

Particulars	As at 31 March 2020		As at 31 March 2019	
	Holding (in units)	Market Value In Rs. Lakhs	Holding (in units)	Market Value In Rs. Lakhs
<b>A. Current</b>				
Aditya Birla SL Savings Direct-G	4.171	0.02	4.171	0.02
Aditya Birla SL Liquid Direct-G	1,09,867.722	351.09	-	-
DSP Liquidity Direct-G	7,259.372	206.23	-	-
DSP Ultra Short Direct-G	2.282	0.06	2.282	0.06
Franklin India Liquid Direct-G	42,515.466	1,268.38	-	-
Franklin India Dynamic PE Ratio FoF Direct-G	52,366.110	39.26	52,366.110	46.87
HDFC Top 100 Direct-G	97,820.676	353.54	97,820.676	512.65
HDFC Money Market Direct-G	1.500	0.06	1.500	0.06
HDFC Short Term Debt Direct-G	1,24,93,419.262	2,859.53	37,64,447.327	784.16
HSBC Cash Direct-G	4,386.827	86.75	4,386.827	81.66
HSBC Cash Direct-G	6.285	0.12	6.285	0.12
ICICI Pru Balanced Advantage Direct-G	16,94,304.599	559.12	16,94,304.599	643.16
ICICI Pru Bluechip Direct-G	2,13,080.637	72.04	2,13,080.637	95.06
ICICI Pru Capital Protection Oriented Ser VII 1822D Plan D-G	-	-	11,462.000	1.51
ICICI Pru Large & Mid Cap Direct-G	69,335.956	171.85	69,335.956	238.97

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

Particulars	As at 31 March 2020		As at 31 March 2019	
	Holding (in units)	Market Value In Rs. Lakhs	Holding (in units)	Market Value In Rs. Lakhs
ICICI Pru Value Fund - Series 13-D	4,179.000	0.32	4,179.000	0.44
ICICI Pru Value Fund - Series 16-G	4,990.000	0.49	4,990.000	0.55
ICICI Pru Value Fund - Series 19 Direct-D	12,500.000	0.91	12,500.000	1.34
ICICI Pru Value Fund - Series 19-D	20,000.000	1.41	20,000.000	2.10
ICICI Pru Value Fund - Series 19-G	32,293.000	2.28	32,293.000	3.40
ICICI Pru FMP - Series 82 1136 Days Plan P-G	10,000.000	1.17	10,000.000	1.07
ICICI Pru Short Term Direct-G	-	-	60,98,330.461	2,460.35
ICICI Pru Savings Direct -G	63,125.659	246.42	3,04,090.194	1,098.28
ICICI Pru Savings Direct -G	16.340	0.06	16.340	0.06
IDFC Bond Medium Term Direct-G	-	-	9,25,121.268	301.43
IDFC Bond Short Term Direct-G	65,46,693.812	2,838.82	28,62,501.355	1,131.99
IDFC Cash Direct-G	-	-	12,676.761	287.32
IDFC Money Manager Direct-G	17,22,667.014	550.63	61,253.085	18.33
IDFC Money Manager Direct-G	194.633	0.06	194.633	0.06
Kotak Bond Short-term Direct-G	1,01,22,466.523	4,060.48	28,13,328.416	1,026.12
Kotak Standard Multicap Direct-G	6,99,240.750	202.74	6,99,240.750	263.75
Kotak Liquid Direct-G	-	-	15,890.134	601.33
Kotak Liquid Direct-G	1.272	0.05	1.272	0.05
Kotak Savings Direct-G	11,75,718.544	386.27	20,05,134.694	612.62
L&T Liquid Direct-G	4.568	0.12	4.568	0.12
L&T Short Term Bond Direct-G	98,11,695.719	1,975.71	45,04,250.352	827.10
SBI Magnum Low Duration Direct-G	2.417	0.06	2.417	0.06
SBI Short Term Debt Direct-G	1,35,58,046.246	3,272.13	1,11,99,136.181	2,468.40
Tata Money Market Direct-G	1.698	0.06	1.698	0.05
Tata FMP Series 56 Scheme D Direct-G	86,000.000	9.92	86,000.000	9.07
Nippon India Low Duration Direct-G	1,666.869	47.05	1,666.869	44.01
Union Liquid Direct-G	603.256	11.53	603.256	10.85
Union Liquid Direct-G	3.133	0.06	3.133	0.06
BNP Paribas Overnight Direct-G	-	-	1.850	0.05
Sundaram Money Direct-G	134.832	0.06	134.832	0.05
YES Liquid Fund Direct-G	2,500.000	26.95	2,500.000	25.39
YES Liquid Fund Direct-G	9.9910	0.11	9.991	0.10
HDFC Charity Fund For Cancer Cure - Arbitrage Plan Direct-D	15,00,000	150.71	-	-
<b>TOTAL</b>		<b>19,754.63</b>		<b>13,600.20</b>

Particulars	As at 31 March 2020		As at 31 March 2019	
	Holding (in units)	Market Value In Rs. Lakhs	Holding (in units)	Market Value In Rs. Lakhs
<b>B. Non-current</b>				
NHAI BOND	4,944.000	53.30	4,944.000	53.96
HDFC Charity Fund For Cancer Cure - Arbitrage Plan Direct-D	-	-	15,00,000	150.12
<b>TOTAL</b>		<b>53.30</b>		<b>204.08</b>

The Company has acquired 21% stake in CAMS Insurance Repository Services Limited on 31st May 2019 consequent to which it has become a 100% subsidiary of the Company wef. 1st June 2019.

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 6 Trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Current In Rs. Lakhs	Non Current In Rs. Lakhs
Unsecured, considered good	2,624.02	-	1,803.63	-
Unsecured, doubtful	101.40	-	126.65	-
	2,725.42	-	1,930.28	-
Less: Expected Credit loss allowance	101.40	-	126.65	-
<b>Total</b>	<b>2,624.02</b>	<b>-</b>	<b>1,803.63</b>	<b>-</b>

## Note: 7 Financial Assets: Loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Current In Rs. Lakhs	Non Current In Rs. Lakhs
Security deposits	-	-	-	-
Unsecured considered good	-	990.45	-	981.39
Doubtful	-	21.90	-	-
	-	1,012.35	-	981.39
Less: Expected Credit loss on Rental Advances	-	21.90	-	-
	-	990.45	-	981.39
Loans and advances to employees	-	-	-	-
Unsecured considered good	54.02	17.88	46.67	10.80
Other loans and advances	-	-	-	-
Unsecured considered good	3.00	-	9.88	-
<b>Total</b>	<b>57.02</b>	<b>1,008.33</b>	<b>56.55</b>	<b>992.19</b>

## Note: 8 Other Financial Assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Current In Rs. Lakhs	Non Current In Rs. Lakhs
Interest accrued, but not due on Fixed Deposits with banks	6.83	-	21.81	-
Fixed deposit with Bank held as margin money - Maturity more than 12 months	-	20.00	-	-
Contractually reimbursable payments	557.39	-	-	-
<b>Total</b>	<b>564.22</b>	<b>20.00</b>	<b>21.81</b>	<b>-</b>

## Note: 9 Cash and Cash Equivalents

Particulars	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
<b>Cash and Bank Balances</b>		
Cash on hand	4.50	1.89
Balances with banks		
- In current accounts	2,045.81	335.09
<b>Total</b>	<b>2,050.31</b>	<b>336.98</b>



# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 10 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
- In deposit accounts	180.00	180.00
- Balances held as margin money or security against borrowings, guarantees and other commitments	85.60	113.64
Other earmarked balances with banks		
- In ECS Collection	1,624.98	2,775.82
- In NPS Collection	3.19	11.99
<b>Total</b>	<b>1,893.77</b>	<b>3,081.45</b>

## Note: 11 Current Tax Assets (Net)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Advance Tax & TDS ( Net of Provision for tax amounting to Rs. 40,234.37 Lakhs)	1,086.38	-	-	-
<b>Total</b>	<b>1,086.38</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note: 12 Other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Advance for Expenses	263.55	0.16	167.22	16.37
Accrued Income	4,972.50	-	5,437.45	-
Balances with government authorities (other than income taxes)	834.41	-	960.23	-
Prepayments	667.25	28.77	929.85	341.81
Others	59.48	-	66.62	-
<b>Total</b>	<b>6,797.19</b>	<b>28.93</b>	<b>7,561.37</b>	<b>358.18</b>

## Note: 13 Share Capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Value	Number of shares	Value
Authorised				
Equity shares of Rs. 10 each with voting rights	5,02,50,000	5,025.00	5,02,50,000	5,025.00
Issued				
Equity shares of Rs. 10 each with voting rights	4,87,60,000	4,876.00	4,87,60,000	4,876.00
Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	4,87,60,000	4,876.00	4,87,60,000	4,876.00
<b>Total issued, subscribed and paid up share capital</b>	<b>4,87,60,000</b>	<b>4,876.00</b>	<b>4,87,60,000</b>	<b>4,876.00</b>



# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Others	Closing Balance
<b>Equity shares with voting rights</b>				
Period ended 31 March 2020				
- Number of shares	4,87,60,000	-	-	4,87,60,000
- Amount (In Rs. Lakhs)	4,876.00	-	-	4,876.00

**Details of shares held by each shareholder holding more than 5% shares:**

Equity Shares with Voting Rights	As at 31 March 2020		As at 31 March 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Great Terrain Investment Limited	2,12,24,000	43.53%	1,82,84,000	37.50%
NSE Investments Limited	1,82,85,000	37.50%	1,82,85,000	37.50%
Housing Development Finance Corporation Ltd	29,20,724	5.99%	29,20,724	5.99%
Acsys Investments Private Limited	9,44,724	1.94%	58,35,124	11.97%

## Note: 14 Other Equity

Particulars	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
<b>Employee Stock Option Reserve</b>		
ESOP amortisation during the year	362.10	-
Closing balance	362.10	-
<b>General reserve</b>		
Opening balance	11,035.43	11,035.43
Closing balance	11,035.43	11,035.43
<b>Other Comprehensive Income</b>		
Opening balance	-727.97	-664.73
OCI recognised during the year	-61.46	-63.24
Closing balance	-789.43	-727.97
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	24,032.80	26,028.38
Add: Profit / (Loss) for the year	16,407.32	11,212.89
Less: Dividend	-7,015.59	-13,208.48
Closing balance	33,424.52	24,032.79
<b>Total</b>	<b>44,032.62</b>	<b>34,340.25</b>

## Note: 15 Trade payables

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Total Outstanding dues to Micro, Small and Medium Enterprises	67.93		29.28	
Total Outstanding dues to Others	1,153.75	-	1,592.86	-
Claims Payable	431.44	-	194.48	-
Expenses Payable	1,996.86	-	1,629.94	-
<b>Total</b>	<b>3,649.98</b>	<b>-</b>	<b>3,446.56</b>	<b>-</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 16 Other Financial Liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Lease liabilities	2,130.86	6,427.30	-	-
<b>Total</b>	<b>2,130.86</b>	<b>6,427.30</b>	<b>-</b>	<b>-</b>

## Note: 17 Other Current Liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Statutory dues				
- taxes payable (other than income taxes)	1,525.27	-	1,800.34	-
- Employee Recoveries and Employer Contributions	164.60	-	173.29	-
Others	1,772.38	-	2,878.21	-
<b>Total</b>	<b>3,462.25</b>	<b>-</b>	<b>4,851.84</b>	<b>-</b>

## Note: 18 Provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current In Rs. Lakhs	Non- Current In Rs. Lakhs	Current In Rs. Lakhs	Non- Current In Rs. Lakhs
Provision for Gratuity (net)	-	444.59	-	363.42
Provision for other employee benefits	831.58	-	1,535.26	-
Provision For claims	-	6,500.00	-	6,430.85
<b>Total</b>	<b>831.58</b>	<b>6,944.59</b>	<b>1,535.26</b>	<b>6,794.27</b>

## Note: 19 Current tax Liabilities (Net)

Particulars	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
Provision for tax ( Net of Advance tax and TDS amounting to Rs. 34,073.66 Lakhs)	-	413.25
<b>Total</b>	<b>-</b>	<b>413.25</b>

## Note: 20 Revenue from operations

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Revenue from rendering of services	66,145.81	65,134.84
<b>Total</b>	<b>66,145.81</b>	<b>65,134.84</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Revenue from rendering of services comprises

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Data processing	52,736.06	50,660.81
Customer Care services	6,254.89	6,565.32
Recoverables	3,273.85	4,380.61
Miscellaneous services	3,881.01	3,528.10
<b>Total</b>	<b>66,145.81</b>	<b>65,134.84</b>

## Note: 21 Other income

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Interest Income		
- On Bank deposits	25.31	25.50
- On Financial Assets at Amortised Cost	69.54	20.39
Dividend Income		
- From Subsidiaries	701.31	-
- Others	8.72	8.43
Operating lease rental income	169.97	1.70
Net Gain / (Loss) On sale of investments	1,084.09	1,557.38
Profit on sale of capital assets (net of loss on assets sold / scrapped / written off)	-	-
Net gain/(loss) arising on financial assets designated as at FVTPL	-291.08	-519.37
Reversal of Provision for doubtful debts and advances	-	-
Miscellaneous Income	30.38	6.69
Provision for disputed taxes - Written back	80.70	-
Provisions no longer required - Written back	71.85	-
<b>Total - Other non operating income</b>	<b>1,950.79</b>	<b>1,100.72</b>

## Note: 22 Employee benefits expense

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Salaries and wages, including bonus	14,566.58	15,897.30
Contributions to provident and other funds	1,409.75	1,428.81
Share based payment transactions expenses		
- Equity-settled share-based payments	304.45	-
Staff welfare expenses	576.19	612.93
Manpower Charges	4,115.03	4,960.80
<b>Total</b>	<b>20,972.00</b>	<b>22,899.84</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 23 Finance costs

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Interest relating to disputed taxes	23.03	27.81
Interest on Lease liabilities	804.94	-
<b>Total</b>	<b>827.97</b>	<b>27.81</b>

## Note: 24 Operating Expenses

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Service expenses	3,360.19	4,505.81
Data entry charges	639.43	1,097.84
Customer Service Centre Charges	1,297.09	1,485.96
Claims	1,295.06	1,471.35
Software expense	6,488.72	6,389.05
<b>Total</b>	<b>13,080.49</b>	<b>14,950.01</b>

## Note: 25 Other Expenses

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
Lease rent	241.36	2,157.59
Power and fuel	765.87	791.49
Repairs and Maintenance	1,350.51	1,130.36
Insurance	141.92	153.71
Rates and taxes	21.77	23.32
Communication	1,294.71	1,354.84
Travelling and conveyance	612.61	746.10
Printing and stationery	185.79	227.41
Business promotion	140.08	167.06
Expenditure on Corporate Social Responsibility	378.42	324.24
Legal and professional	796.91	813.27
Payments to auditors - Refer note no. 36	30.45	22.75
Director's Sitting Fees	41.50	38.50
Net loss on foreign currency transactions and translation	-0.23	0.05
Loss on fixed assets sold / scrapped / written off	20.73	16.71
Net of Expected Credit loss allowance	-3.34	-31.23
Bad trade and other receivables, loans and advances written off	3.55	59.13
Miscellaneous expenses	72.52	86.18
<b>Total</b>	<b>6,095.13</b>	<b>8,081.48</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 26 Current Tax and Deferred Tax

### (a) Income Tax Expense

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
<b>Current Tax:</b>		
Current Income Tax Charge	5,825.88	6,716.00
<b>Deferred Tax</b>		
In respect of current year origination and reversal of temporary differences	293.71	-303.66
<b>Total Tax Expense recognised in statement of profit and loss</b>	<b>6,119.59</b>	<b>6,412.34</b>

### (b) Income Tax on Other Comprehensive Income

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
	In Rs. Lakhs	In Rs. Lakhs
<b>Current Tax</b>		
<b>On Items will not be reclassified to Profit and Loss</b>		
Remeasurements of the defined benefit liabilities / (asset)	-20.67	-33.96
<b>Total</b>	<b>-20.67</b>	<b>-33.96</b>

### ('c) Deferred Tax

Particulars	For the Year ended 31 March 2020		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>			
Property, Plant and Equipment	-274.30	-1,996.51	1,722.21
FVTPL financial asset	-	-219.68	219.68
Sub Total (A)	-274.30	-2,216.19	1,941.89
<b>Tax effect of items constituting deferred tax assets</b>			
Employee Benefits	401.43	142.89	258.54
Lease liabilities	-	-2,153.92	2,153.92
Other Items	365.79	88.55	277.23
Sub Total (B)	767.22	-1,922.48	2,689.69
<b>Net Tax Asset (Liabilities) (B-A)</b>	<b>1,041.51</b>	<b>293.71</b>	<b>747.80</b>

NOTE: An amount of Rs 291.38 lacs on account of remeasurement of opening deferred tax liabilities consequent to adoption of reduced tax rate of 25.168% as against old rate of 34.944%.

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 27: Employee Benefits

(Rs in Lakhs, unless otherwise stated)

### I. Defined Contribution Plans

#### Provident Fund:

The Company makes contribution towards Provident Fund for its employees. The Company's contribution is deposited with the Government under the provisions of Employees' Provident Fund and Miscellaneous Provisions Act 1952. The contribution made by the Company is at the rate specified under this Act.

#### Others:

The Company makes contribution for Employee State Insurance and National Pension Scheme for its employees. All such contributions are deposited with the Government. The Company also contributes to Superannuation Fund and Pension Fund for its employees who have been contributing to such funds.

During the year, the Company recognised the following amounts in the Statement of Profit or Loss (included in Note 22: Employee Benefit Expenses).

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Contribution to Provident Fund	438.48	416.03
Contribution to Employee State Insurance	157.55	221.86
Contribution to Superannuation Fund	20.34	20.37
Contribution to Pension Fund	444.15	443.12
Contribution to National Pension Scheme	32.56	34.18
<b>Total</b>	<b>1,093.08</b>	<b>1,135.56</b>

### II. Defined Benefit Plans

Particulars	As at 31 March 2020	As at 31 March 2019
Net defined benefit liability - Gratuity plan	35.33	23.36
Other long term employee benefits (leave encashment)	-19.12	-0.90
<b>Total employee benefit liabilities</b>	<b>16.21</b>	<b>22.46</b>

The Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act 1972. This gratuity plan entitles an employee, who has rendered atleast 4 years and 240 days of continuous service to gratuity, at the rate of 15 days wages for every completed year of service or part thereof in excess of 6 months, based on the rate of wages last drawn by the employee concerned.

#### A. Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on a separate actuarial valuation within the framework set out in the funding policies of the plan. Employees do not contribute to the plan.

#### B. Reconciliation of net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

#### Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	1,677.85	1,326.81
Benefits paid	-134.59	-73.37
Current service cost	244.09	225.98
Interest cost	126.95	102.09
Past service gain	-	-
Actuarial (gains)/ losses recognised in OCI	-	-
- changes in demographic assumptions	-14.60	-

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

Particulars	As at 31 March 2020	As at 31 March 2019
- changes in financial assumptions	168.82	42.52
- experience adjustments	-43.11	53.82
Total actuarial (gains)/ losses	111.11	96.34
<b>Balance at the end of the year</b>	<b>2,025.41</b>	<b>1,677.85</b>

Particulars	As at 31 March 2020	As at 31 March 2019
Non-Current	1,863.37	1,501.25
Current	162.04	176.60
<b>Total</b>	<b>2,025.41</b>	<b>1,677.85</b>

## *Reconciliation of present value of plan assets:*

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	1,654.49	1,288.77
Contributions paid into the plan	345.00	339.93
Benefits paid	-134.59	-73.37
Expected return on plan assets	125.18	99.16
<b>Balance at the end of the year</b>	<b>1,990.08</b>	<b>1,654.49</b>
<b>Net defined benefit (asset)/ liability</b>	<b>35.33</b>	<b>23.36</b>

## C. Expenses recognised

### i. In Statement of Profit or Loss

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	244.09	225.98
Net interest expense	1.77	2.93
<b>Total</b>	<b>245.86</b>	<b>228.91</b>

### ii. Remeasurements recognised in OCI

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Actuarial (gains)/ losses on defined benefit obligation	111.11	96.34
<b>Total</b>	<b>111.11</b>	<b>96.34</b>

## D. Plan Assets

Plan assets comprise of the following:

Particulars	As at 31 March 2020	As at 31 March 2019
Investment with Life Insurance Corporation of India	100%	100%

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## E. Defined Benefit Obligations

### i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.60%	7.55%
Future salary growth	8% for first 3 years and 6% thereafter	8% for first 3 years and 6% thereafter
Retirement Age	60 years	58 years
Mortality rate	100% of IALM 12-14	100% of IALM 06-08
Attrition rate	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%

As at 31 March 2020, the weighted average duration of the defined benefit obligation was 9 years (31 March 2019 : 8 years).

### ii. Sensitivity analysis

Particulars	Increase	Decrease
<b>31-Mar-20</b>		
Discount rate (1% movement)	1,864.89	2,209.68
Future salary growth (1% movement)	2,199.77	1,869.43
Attrition rate (1% movement)	2,013.00	2,027.88
Mortality rate (1% movement)	2,025.71	2,025.10
<b>31-Mar-19</b>		
Discount rate (1% movement)	1,559.80	1,811.69
Future salary growth (1% movement)	1,806.05	1,561.83
Attrition rate (1% movement)	1,684.67	1,651.47
Mortality rate (1% movement)	1,678.30	1,677.41

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



# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## III. Other long term employee benefits - Compensated absences (Leave encashment):

### A. Reconciliation of net (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net (asset)/ liability and its components:

#### Reconciliation of present value of obligation:

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	442.53	316.07
Benefits paid	-75.91	-71.27
Current service cost	75.46	145.90
Interest cost	33.48	24.32
Actuarial (gains)/ losses		
- changes in demographic assumptions	-1.38	-
- changes in financial assumptions	38.79	11.08
- experience adjustments	-38.63	16.42
Total actuarial (gains)/ losses	-1.22	27.51
<b>Balance at the end of the year</b>	<b>474.34</b>	<b>442.53</b>

Particulars	As at 31 March 2020	As at 31 March 2019
Non-Current	423.05	385.93
Current	51.29	56.60
<b>Total</b>	<b>474.34</b>	<b>442.53</b>

#### Reconciliation of present value of plan assets:

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	443.43	345.08
Contributions paid into the plan	92.39	143.07
Benefits paid	-75.91	-71.27
Expected return on plan assets	33.55	26.55
<b>Balance at the end of the year</b>	<b>493.46</b>	<b>443.43</b>
<b>Net (asset)/ liability</b>	<b>-19.12</b>	<b>-0.90</b>

### C. Expenses recognised

#### i. In Statement of Profit or Loss

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	75.46	145.90
Net interest expense	-0.07	-2.23
Actuarial (gains)/ losses	-1.22	27.51
<b>Total</b>	<b>74.17</b>	<b>171.18</b>

### D. Plan Assets

Plan assets comprise of the following:

Particulars	As at 31 March 2020	As at 31 March 2019
Investment with Life Insurance Corporation of India	100%	100%

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## E. Leave Encashment Obligation

### i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.60%	7.55%
Future salary growth	8% for first 3 years and 6% thereafter	8% for first 3 years and 6% thereafter
Retirement Age	60 years	58 years
Mortality rate	100% of IALM 12-14	100% of IALM 06-08
Attrition rate	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%

As at 31 March 2020, the weighted average duration of the defined benefit obligation was 8 years (31 March 2019 : 7 years).

### ii. Sensitivity analysis

Particulars	Increase	Decrease
<b>31-Mar-20</b>		
Discount rate (1% movement)	437.96	516.44
Future salary growth (1% movement)	516.03	437.65
Attrition rate (1% movement)	478.96	465.46
Mortality rate (1% movement)	474.39	474.30
<b>31-Mar-19</b>		
Discount rate (1% movement)	412.45	476.87
Future salary growth (1% movement)	476.83	411.96
Attrition rate (1% movement)	454.00	421.86
Mortality rate (1% movement)	442.61	442.43

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

## Note 28: Earnings per share

### A. Basic Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for calculation of Basic EPS are as follows:

#### i. Profit or loss attributable to equity shareholders (basic)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Profit attributable to the equity shareholders	16,407.32	11,212.89

#### ii. Weighted average number of equity shares (basic)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Opening Balance	4,87,60,000	4,87,60,000
Effect of share options exercised		-
Weighted average number of equity shares for the year	4,87,60,000	4,87,60,000
<b>Basic EPS</b>	<b>33.65</b>	<b>23.00</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## B. Diluted Earnings per share

The calculations of diluted earnings per share based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares, are as follows:

### i. Profit or loss attributable to equity shareholders (diluted)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Profit attributable to the equity shareholders (Diluted)	16,407.32	11,212.89

### ii. Weighted average number of equity shares (diluted)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Weighted average number of equity shares (basic)	4,87,60,000	4,87,60,000
Effect of exercise of share options	33,982	-
Weighted average number of equity shares (diluted) for the year	4,87,93,982	4,87,60,000
<b>Diluted EPS</b>	<b>33.63</b>	<b>23.00</b>

## Note 29: Dividend per share

The Board of Directors declared:

- first interim dividend of Rs 3 per share in its meeting held on 25 June 2019,
- second interim dividend of Rs 3.50 per share in its meeting held on 5 September 2019,
- third interim dividend of Rs.5.68 in its meeting held on 17 December 2019.

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Total Dividend Paid (excluding tax on dividend)	5,938.97	10,956.37
Dividend Tax	1,076.62	2,252.11
No of equity shares	4,87,60,000	4,87,60,000
<b>Dividend per share</b>	<b>12.18</b>	<b>22.47</b>

## Note 30: Disclosures under Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2020 has been made based on the information available with the Company. Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Company has not received any claim for interest from any supplier under this Act.

The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed on such information provided by the Management.

Particulars	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to MSME suppliers as at the end of the year	67.93	29.28
Interest due on unpaid principal amount to MSME suppliers as at the end of the year	-	-
Amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
Amount of interest due and payable for the year (without adding the interest under the Act)	-	-
Amount of interest accrued and remaining unpaid as at the end of the year	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 31: Expenditure in foreign currency

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Software License / Consultancy Charges	242.29	48.89
Others	-	0.28
<b>Total</b>	<b>242.29</b>	<b>49.17</b>

## Note 32: Related parties

(Rs in Lakhs, unless otherwise stated)

### A. Names of related parties and nature of relationship:

#### I. Entities having control/ significant influence/ joint venture relationships:

Particulars	Nature of relationship
NSE Investments Limited (Formerly known as NSE Strategic Investment Corporation Limited) (upto 4th February 2020)	Shareholder having significant influence over the Company
National Stock Exchange of India Limited (upto 4th February 2020)	Parent Company of NSE Investments Limited
Great Terrain Investment Limited	Shareholder having significant influence over the Company
Housing Development Finance Corp Ltd	Shareholder having significant influence over the Company
HDFC Bank Ltd	Shareholder having significant influence over the Company
HDB Employee Welfare Trust	Shareholder having significant influence over the Company
Harmony River Investment Limited	Parent Company of Great Terrain Investment Limited
Warburg Pincus LLC	Ultimate Parent of Great Terrain Investment Limited

#### II. Related Group Companies of entities covered above:

Particulars	Nature of relationship
NSE Data & Analytics Limited *	Group Entity of NSE India Limited
NSE Clearing Limited (Formerly known as National Securities Clearing Corporation Limited) *	Group Entity of NSE India Limited
NSE IFSC Limited *	Group Entity of NSE India Limited
NSE IFSC Clearing Corporation Limited *	Group Entity of NSE India Limited
NSE Academy Limited *	Group Entity of NSE India Limited
NSE Indices Limited *	Group Entity of NSE India Limited
NSE IT Limited *	Group Entity of NSE India Limited
NSE Infotech Services Limited *	Group Entity of NSE India Limited
NSE Foundation *	Group Entity of NSE India Limited

\* Based on NSE communication dated 26th February 2020 and SEBI communication dated 04th February 2020, NSE Investments Limited had significant influence over the company only upto 4th February 2020, the group companies of NSE Investments Limited are also considered as related parties only upto 4th February 2020.

#### III. Subsidiaries:

Particulars	Nature of relationship
CAMS Insurance Repository Services Limited	Wholly owned subsidiary (79% up to 31st May 2019)
CAMS Investor Services Private Limited	Wholly owned subsidiary
Sterling Software Private Limited	Wholly owned subsidiary
CAMS Financial Information Services Private Limited	Wholly owned subsidiary
Sterling Software (Deutschland) GmbH	Wholly owned subsidiary of Sterling Software Private Limited

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## IV. Key Management Personnel (KMP):

Name	Designation
Mr Vedanthachari Srinivasa Rangan	Nominee Director
Mr Narendra Ostawal	Nominee Director
Mr Zubin Dubash	Nominee Director
Mr Hoshang Noshirwan Sinor	Nominee Director (upto 6th December 2019)
Mr David Alan Coulter	Nominee Director (upto 6th December 2019)
Mr Jagannathan Ravichandran	Nominee Director (upto 6th December 2019)
Mr Mukesh Agarwal	Nominee Director (from 17th December 2019 to 17th February 2020)
Mr Anuj Kumar	Whole time Director and Chief Executive Officer
Mr M Somasundaram	Chief Financial Officer
Mr G Manikandan	Company Secretary and Compliance Officer

## B. Transactions with Related Parties

Transaction	Related Parties	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>I. Income</b>			
<u>Support services:</u>	CAMS Insurance Repository Services Limited	120.45	143.85
	CAMS Investor Services Private Limited	18.00	18.00
	Sterling Software Private Limited	0.58	-
<u>Fee for services:</u>	National Stock Exchange of India Limited	131.91	63.09
	NSE Clearing Limited	11.90	65.99
<u>Rental Income:</u>	CAMS Insurance Repository Services Limited	168.77	0.50
	CAMS Investor Services Private Limited	1.20	1.20
<u>Dividend received:</u>	CAMS Investor Services Private Limited	138.87	-
	Sterling Software Private Limited	562.44	-
<b>II. Expenses</b>			
<u>Remuneration and other short term employment benefits:</u>	Mr Anuj Kumar	316.85	290.09
	Mr M Somasundaram	129.73	114.70
	Mr G Manikandan	60.22	54.10
<u>Other long term employee benefits (Note A):</u>	Mr Anuj Kumar	2.42	5.31
	Mr M Somasundaram	0.48	-
	Mr G Manikandan	1.38	1.29
<u>Share based payments:</u>	Mr Anuj Kumar	88.75	-
	Mr M Somasundaram	22.78	-
	Mr G Manikandan	7.25	-
<u>Rental expenses:</u>	CAMS Insurance Repository Services Limited	153.36	-
<u>Software License and Maintenance Fee:</u>	Sterling Software Private Limited	5,054.36	5,028.90
<u>Sitting fees paid:</u>	NSE Investments Limited	7.50	6.00
	Mr Hoshang Noshirwan Sinor	5.50	5.70
	Mr Vedanthachari Srinivasa Rangan	10.50	10.50

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

Transaction	Related Parties	For the year ended 31st March 2020	For the year ended 31st March 2019
<u>Dividend paid:</u>	Mr M Somasundaram	4.87	5.73
	Mr G Manikandan	0.91	1.07
	NSE Investments Limited	2,227.11	4,597.10
	Housing Development Finance Corporation Ltd	355.74	988.66
	HDFC Bank Ltd	197.77	549.75
	HDB Employee Welfare Trust	189.45	526.60
	Great Terrain Investment Limited	2,585.08	1,663.84

**Note A:** Information relating to remuneration paid to KMP excludes provision made for gratuity and leave encashment which are based on an actuarial valuation for employees on an overall basis. Leave encashment is included to the extent of payouts made for encashment by the KMP.

## C. Related Party Balances

Particulars	Related Parties	As at 31st March 2020	As at 31st March 2019
<u>Investment in Equity shares:</u>	CAMS Insurance Repository Services Limited	3,631.35	2,222.36
	CAMS Investor Services Private Limited	2,507.00	2,507.00
	Sterling Software Private Limited	13,500.00	13,500.00
	CAMS Financial Information Services Private Limited	250.00	250.00
<u>Balance in Current Accounts</u>	HDFC Bank Ltd	2,200.37	2,921.73
<u>Balance in Deposits Accounts</u>	HDFC Bank Ltd	285.59	113.64
<u>Trade Receivables:</u>	CAMS Insurance Repository Services Limited	39.93	9.20
	CAMS Investor Services Private Limited	3.78	1.60
	Sterling Software Private Limited	39.52	-
	National Stock Exchange of India Limited	48.85	55.84
	NSE Clearing Limited	1.88	8.12
<u>Trade Payables:</u>	CAMS Insurance Repository Services Limited	13.80	-
	Sterling Software Private Limited	553.35	457.70

All transactions with related parties are on arm's length basis.

**NOTE:** An amount of Rs 557.39 lacs paid towards Offer for Sale ("OFS") on behalf of selling share holders is disclosed under "Other current assets" as "Contractually reimbursable payments" and the same will have to be ascertained and apportioned between selling share holders upon completion of the OFS process.

## Note 33: Corporate Social Responsibility

(Rs in Lakhs, unless otherwise stated)

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Amount required to be spent by the Company during the year	378.35	318.41
Amount spent during the year (in cash)		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	378.42	324.24
<b>Total (i) + (ii)</b>	<b>378.42</b>	<b>324.24</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 34: Leases

(Rs in Lakhs, unless otherwise stated)

The Company has entered into operating lease agreements for office spaces and printers/photocopiers.

### Office spaces taken on lease (Leasehold improvements):

Office spaces in around 100 locations across India have been taken on lease. Lease payments are made monthly and include specified amenities. The Company has effective control over these office spaces as the Company will be renovating or building temporary erections as and when required. The lease term ranges from 11 months to 9 years.

### Printers and photocopiers:

The Company has applied the exemption in Ind AS 116 for leases of low value assets and has not applied the new standard for leases of printers and photocopiers. Also, the consideration paid for such leases include both rental and maintenance charges. For these leases, the lease expenses are accounted on a straight-line basis (based on actual payments) over the lease term.

During the year, the Company has given some of the premises on sublease basis to its subsidiaries and vice versa. Ind AS 116 requirements have not been applied by treating them as short term leases as the lease term for these contracts are perpetual.

Information about operating leases is presented below:

### A. Right of Use Assets:

Particulars	Amount
Balance as at 1st April 2019	-
Recognition of ROU Asset on initial application of Ind AS 116	8,851.39
Depreciation charge for the year	-1,941.77
Additions to Right of Use Assets	1,401.12
Derecognition/ Adjustments to Right of Use Assets	-2.69
<b>Balance as at 31st March 2020</b>	<b>8,308.05</b>

### B. Amounts recognised in Statement of Profit or Loss:

Particulars	For the year ended 31st March 2020
<b><u>2019-20 - Leases under Ind AS 116:</u></b>	
Interest on lease liabilities	804.94
Income from sub-leasing Right of Use assets	169.97
Expenses relating to leases of low-value assets and short term leases	241.36
<b><u>2018 - 19 - Leases under Ind AS 17:</u></b>	
Lease expense	2,110.38
Sublease income	1.70

### C. Amounts recognised in Statement of Cash Flows:

Particulars	For the year ended 31st March 2020
Total cash outflow for leases	2,067.17

### D. Extension Options

Some leases for office spaces contain extension options exercisable by the Company for an additional period ranging between 11 months to 5 years. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

### Transition to Ind AS 116:

The Company has adopted Ind AS 116 with effect from 1st April 2019 using Modified Retrospective approach. The comparative information presented for 2018-19 is not restated, ie. it is presented as previously reported under Ind AS 17.

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## I. Definition of a lease

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. Under Ind AS 116, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time, in exchange for consideration.

On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Contracts that were not previously identified as leases were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

## II. As a lessee

On transition, lease liabilities were measured at the present value of remaining lease payments, using a discount rate on 1 April 2019. Since the Company does not have any borrowed funds, the Company has used MCLR rate provided by its bankers as the discount rate for computation of lease liability.

Right of use assets have been measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS 116.

The Company has tested its Right of Use Assets for impairment on the date of transition and has concluded that there is no indication that the Right of Use Assets are impaired.

The Company has used the following practical expedients while applying Ind AS 116 to leases previously classified as operating lease:

- i. The Company did not recognise Right of Use Assets and liabilities for leases of low value assets (eg. Printers and photocopiers).
- ii. The Company used hindsight when determining lease term.

## III. Impact on financial statements

### Impact on transition to Ind AS 116:

Particulars	As at 1st April 2019
Right of use assets - Property, Plant and Equipment (excluding prepaid rental advance)	8,419.27
Lease liabilities	8,419.27
Net impact on retained earnings	-

For measuring the lease liabilities, the Company has discounted lease payments using MCLR rate provided by its bankers, which is 9.5%.

Particulars	As at 1st April 2019
Operating lease commitments as at 31st March 2019 as disclosed under Ind AS 17 in the Company's financial statements	10,620.18
Discounted using MCLR rate on 1st April 2019	-2,200.91
Less: Recognition exemption for leases of low value assets	-
Less: Recognition exemption for short term leases	-
Less: Extension options reasonably certain to be exercised	-
Lease liabilities recognised as at 1st April 2019	8,419.27

Below is the maturity analysis of lease liabilities:

Particulars	Amount
Less than 1 year	2,130.86
1 year to 3 years	3,758.10
More than 3 years	2,669.20
<b>Total</b>	<b>8,558.16</b>



# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 35: Revenue

### A. Revenue Streams

The Company generates revenue primarily from provision of application/data processing services, customer care services and other allied services to its customers.

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
Revenue from Contracts with Customers	66,145.81	65,134.84
<b>Total revenue</b>	<b>66,145.81</b>	<b>65,134.84</b>

### B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major service lines, timing of revenue recognition and primary geographical market.

Particulars	For the Year ended 31 March 2020	For the year ended 31 March 2019
<b>I. Major service lines:</b>		
- Data processing	52,736.06	50,660.81
- Customer Care services	6,254.89	6,565.32
- Recoverables	3,273.85	4,380.61
- Miscellaneous services	3,881.01	3,528.10
<b>Total</b>	<b>66,145.81</b>	<b>65,134.84</b>
<b>II. Timing of revenue recognition:</b>		
- Revenue recognised at a point in time	66,145.81	65,134.84
- Revenue recognised over a period of time		
<b>Total</b>	<b>66,145.81</b>	<b>65,134.84</b>
<b>III. Primary geographical market:</b>		
- India	66,145.81	65,134.84
- Other countries	-	-
<b>Total</b>	<b>66,145.81</b>	<b>65,134.84</b>

### C. Contract Balances

The following table provides information about receivables, contract assets and liabilities from contracts with customers.

Particulars	As at 31 March 2020	As at 31 March 2019
Receivables, which are included in Trade Receivables	2,624.02	1,803.63
Contract assets	4,972.50	5,437.45
Contract liabilities	-	-

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date for services rendered. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 36: Financial Instruments and Risk Management

(Rs in Lakhs, unless otherwise stated)

### A. Categories of Financial Instruments

#### I. Financial Assets

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Measured at fair value through profit or loss (FVTPL)</b>		
- Investments in mutual funds	19,754.63	13,750.32
- Investment in Government Securities	53.30	53.96
<b>Total</b>	<b>19,807.93</b>	<b>13,804.28</b>

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Measured at amortised cost</b>		
- Trade receivables	2,624.02	1,803.63
- Cash and Cash Equivalents	2,050.31	336.98
- Bank balances other than cash and cash equivalents	1,893.77	3,081.45
- Loans	1,065.35	1,048.74
- Others	584.22	21.81
<b>Total</b>	<b>8,217.67</b>	<b>6,292.61</b>

#### II. Financial Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Measured at amortised cost</b>		
- Trade payables	3,649.98	3,446.56
- Lease liabilities	8,558.16	-

### B. Fair Value Measurement:

The following table shows the carrying amounts and the fair values of financial assets and liabilities, including their levels in the fair value hierarchy.

Particulars	Carrying Amount (In Rs. Lakhs)	Fair Value (In Rs. Lakhs)			
		Level 1	Level 2	Level 3	Total
<b>31-Mar-20</b>					
<b><u>Financial assets measured at fair value:</u></b>					
- Investments in mutual funds	19,754.63	19,754.63	-	-	19,754.63
- Investment in Government Securities	53.30	53.30	-	-	53.30
	<b>19,807.93</b>	<b>19,807.93</b>	-	-	<b>19,807.93</b>
<b>31-Mar-19</b>					
<b><u>Financial assets measured at fair value:</u></b>					
- Investments in mutual funds	13,750.32	13,750.32	-	-	13,750.32
- Investment in Government Securities	53.96	53.96	-	-	53.96
	<b>13,804.28</b>	<b>13,804.28</b>	-	-	<b>13,804.28</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note

- A) Fair value hierarchy used for Investments in Mutual Funds and Government securities - Level 1. Valuation technique and key inputs - Quoted Net Asset Value/ Prices in active market.
- B) The Company has not disclosed the fair values for financial assets such as trade receivables, cash and cash equivalents, other bank balances, loans etc, because their carrying amounts are a reasonable approximation of fair value.
- C) The Company has not disclosed the fair values for financial liabilities such as trade payables and lease liabilities because their carrying amounts are a reasonable approximation of fair value.

There are no transfers between Level 2 and Level 3 during the period.

## C. Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Company's Audit Committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes review of risk management controls and procedures and the results of the same are reported to the Audit Committee.

### I. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risk.

#### a) Loans

This consists of security deposits and advances given to employees. Security deposits are rental deposits given to lessors and the Company does not expect any losses from non-performance by the counter parties. The Company also does not expect any losses on the employee advances since they are given only to permanent employees of the Company.

#### b) Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit losses for trade receivables and an impairment analysis is performed at each reporting date.

The management has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payment and delivery terms and conditions are offered. The average credit period provided to customers ranges from 30 days. The Company review includes external ratings, customer's credit worthiness, if they are available, and in some cases, bank references.

The Company's customer base comprises of various mutual fund houses and corporates having sound financial condition and none of these balances are credit impaired. An impairment analysis is performed at each reporting date for invoice wise receivables balances.

#### c) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that the cash and cash equivalents have low credit risk based on the external credit rating of the counterparties.

#### d) Investments in mutual funds

The credit risk for investments in mutual funds is considered as negligible as the counterparties are reputable mutual fund agencies with high external credit ratings.

**Financial assets for which loss allowance is measured using lifetime expected credit losses:**

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables	2,624.02	1,803.63

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	2019-20	2018-19
Opening Balance as at 1st April 2019	126.65	157.88
Amounts written off	-	-
Net remeasurement of loss allowance	-25.25	-31.23
<b>Closing balance as at 31st March 2020</b>	<b>101.40</b>	<b>126.65</b>

## II. Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

### Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. All amounts are gross and undiscounted except for lease liabilities.

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 - 3 years	More than 3 years
<b>31-Mar-20</b>					
<b>Financial liabilities:</b>					
- Trade Payables	3,649.98	3,649.98	3,649.98	-	-
- Lease Liabilities	8,558.16	8,558.16	2,130.86	3,758.10	2,669.20
	<b>12,208.14</b>	<b>12,208.14</b>	<b>5,780.84</b>	<b>3,758.10</b>	<b>2,669.20</b>
<b>31-Mar-19</b>					
<b>Financial liabilities:</b>					
- Trade Payables	3,446.56	3,446.56	3,446.56	-	-
- Lease Liabilities	-	-	-	-	-
	<b>3,446.56</b>	<b>3,446.56</b>	<b>3,446.56</b>	-	-

The following are the remaining contractual cash flows for financial assets at the reporting date. All amounts are gross and undiscounted.

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 - 3 years	More than 3 years
<b>31-Mar-20</b>					
<b>Financial assets:</b>					
- Trade receivables	2,624.02	2,624.02	2,624.02	-	-
- Cash and cash equivalents	2,050.31	2,050.31	2,050.31	-	-
- Bank balances other than cash and cash equivalents	1,893.77	1,893.77	1,893.77	-	-
- Loans	1,065.35	1,065.35	57.02	17.88	990.45
- Others	584.22	584.22	564.22	20.00	-
	<b>8,217.67</b>	<b>8,217.67</b>	<b>7,189.34</b>	<b>37.88</b>	<b>990.45</b>
<b>31-Mar-19</b>					
<b>Financial assets:</b>					
- Trade receivables	1,803.63	1,803.63	1,803.63	-	-
- Cash and cash equivalents	336.98	336.98	336.98	-	-
- Bank balances other than cash and cash equivalents	3,081.45	3,081.45	3,081.45	-	-
- Loans	1,048.74	1,048.74	56.55	10.80	981.39
- Others	21.81	21.81	21.81	-	-
	<b>6,292.61</b>	<b>6,292.61</b>	<b>5,300.42</b>	<b>10.80</b>	<b>981.39</b>

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## III. Market Risk:

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates - will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### Currency Risk:

The functional currency of the Company is INR. The Company has transactions in foreign currency for software license purchases and consultancy charges, which are denominated in USD. The Company has not entered into any hedges for currency risk. The Company's foreign currency exposure is limited and is not material to the size of its operations.

The Company has no exposure to other market risks such as interest rate risk and equity price risk.

## Note 37: Share-based payments

(Rs in Lakhs, unless otherwise stated)

### A. Description of share-based payment arrangements:

#### Share option plans (equity settled):

On 01st April 2019, the Company established a share option scheme that entitle senior management employees of the Company and its subsidiaries to purchase shares in the Company. The subsidiaries do not have the obligation to provide its employees with the equity instruments of the Company and there are no intra-group repayment arrangements. Such costs are treated as investment in the subsidiaries. The key terms of the grant are presented below.

Particulars	CXOs	Others
Number of options granted	1,36,651	99,935
Date of grant	1 April 2019	1 April 2019
Vesting period	10% of options at the end of year 1; 10% of options at the end of year 2; 40% of options at the year 3; and 40% of options at the year 4.	25% of options at the end of year 1; 25% of options at the end of year 2; 25% of options at the end of year 3; and 25% of options at the end of year 4.
Exercise price per share (in Rs)	614.70	614.70
Exercise period	4 years from the grant date	4 years from the grant date
Market price per share immediately prior to grant date (in Rs)	717.80	717.80
Intrinsic value per share (in Rs)	103.10	103.10

The number of options granted is detailed as below:

Particulars	CXOs	Others
Employees of the Company	1,36,651	67,227
Employees of CAMS Insurance Repository Services Limited	-	10,672
Employees of Sterling Software Private Limited	-	22,036
<b>Total</b>	<b>1,36,651</b>	<b>99,935</b>

### B. Measurement of fair values

The fair values of the options issued have been arrived at using the Black Scholes Model.

The key inputs used in measurement of fair values at the grant date of share options are as follows:

Particulars	CXO grants	Other grants
Fair value per share of the option (in Rs)	355.01	338.40
Share price at grant date	717.80	717.80
Exercise price	614.70	614.70
Expected volatility	47.90%	47.70%
Expected life of the option	5.1 years	4.5 years
Dividend yield	1.80%	1.80%
Risk free interest rate per annum	7.50%	7.30%

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

Expect volatility and term of the options are based on an evaluation of the historical prices at which the Company's shares were acquired by its investors. The expected term of the instruments is based on general option holder behaviour.

## C. Reconciliation of outstanding share options:

The number and weighted average exercise prices of share options are as follows:

Particulars	31-Mar-20		31-Mar-19	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at 1 April	-	-	-	-
Granted during the period*	-	2,36,586	-	-
Exercised during the period	-	-	-	-
Outstanding at 31 March	-	2,36,586	-	-
<b>Exercisable at 31 March</b>	-	-	-	-

\* Excludes options which were granted and lapsed during the year.

## D. Expenses recognised in Statement of Profit or Loss:

For details on the employee benefit expenses, please refer Note 22.

## Note 38: Remuneration to auditors

(Rs in Lakhs, unless otherwise stated)

Particulars	2019-20	2018-19
Statutory Audit Fee	18.25	18.25
Tax Audit Fee	4.50	4.50
Cerification Fee	7.70	-
<b>Total</b>	<b>30.45</b>	<b>22.75</b>

## Note 39: Provision, contingent liabilities and contingent assets

### I. Provision for claims

Particulars	2019-20	2018-19
Opening Balance as at 1 April	6,430.85	5,128.15
Provision made during the year	69.15	1,302.70
<b>Closing balance as at 31 March</b>	<b>6,500.00</b>	<b>6,430.85</b>

### II. Contingent liabilities and capital commitments (to the extent not provided for)

Particulars	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.48	10.21
Income Tax matters	1,420.57	363.25
On account of processing errors	129.00	-
Others	17.80	17.80
<b>Total</b>	<b>1,567.85</b>	<b>391.26</b>

There are no contingent assets resulting from the aforesaid litigation.

### Sabka Viswas Legacy Disputes Resolution Scheme (SVDLR)

The Company has availed Sabka Viswas Legacy Disputes Resolution Scheme (SVDLR) in respect of disputed tax cases under Service tax. Consequently the Company has written back an amount of Rs 80.70 lacs which was provided under tax, interest and penalty.

# Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

## Note 40: Covid related impact on our business

Covid-19 pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. The Government of India announced a countrywide lockdown which still continues across large parts of the country with some variations. In this nation-wide lock-down, though most services across the nation have been suspended, some establishments like securities market intermediaries including our Company are exempt from the lock-down and therefore functional to the extent required for core delivery to its clients. Some of the non-mutual fund businesses have been impacted significantly during the lock-in period. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

The Company has assessed the impact of the pandemic on its operations, liquidity and its assets including the value of its investments and trade receivables as at 31st March 2020. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it services and volume of transaction it handles, changes in market conditions may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

## Note 41:

The Company has become a Public Limited company wef. 27th September 2019. It is in the process of getting listed and has filed a Draft Red Herring Prospectus on 9th January 2020.

## Note 42:

Segment information has been presented in the consolidated financial statements of the Group as per the requirements of Ind AS 108 *Operating Segments*.

## Note 43:

The Taxation Laws (Amendment) Ordinance, 2019 was promulgated on 20th September 2019. The Ordinance amends the Income Tax Act, 1961, and the Finance (No. 2) Act, 2019. The Ordinance provides domestic companies with an option to opt for lower tax rates, provided they do not claim certain deductions. Companies can choose to opt for the new tax rate (i.e. 22%) starting the financial year 2019-20 (i.e. assessment year 2020-21). Once a company has exercised this option, the chosen provision will apply for all the subsequent years. Accordingly, the Company has adopted the new tax rate from Q2 FY20.

Tax reconciliation is provided below:

Particulars	Rate
Tax at Statutory Rate	25.2%
Expenses Not deductible	0.6%
Exempt / Non Taxable Income	-0.5%
Income Taxable at lower rate	-0.3%
Timing difference disallowances	1.1%
Others (incl. Tax Incentives and provision for disputed taxes)	-0.2%
Deferred tax asset (incl. wind down impact)	1.3%
Total Taxable Income	27.2%

## Note 44:

Based on the current assessment of the long-term contracts in the ordinary course of business, the Company has made adequate provision for losses wherever required. The Company has not entered into any derivative contracts during the year.

## Note 45:

The Board of Directors has reviewed the realisable value of all current assets of the Company and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements.

## Note 46:

The pending litigations as on 31st March 2020 have been compiled by the company and reviewed by the Statutory Auditors. The current position of the litigations has been evaluated and the effect thereof has been disclosed in the financial statements.

## Notes forming part of the Standalone Ind AS Financial Statements

for the year ended 31st March 2020

### Note 47:

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

### Note 48:

All figures reported in the financials statements and related notes are rounded off to nearest lakh.

In terms of our report attached.

#### For Brahmayya & Co

Chartered Accountants

Registration No : 000511S

#### P. Babu

Partner

Membership No : 203358

#### For and on behalf of the Board of Directors

#### Natarajan Srinivasan

Director

DIN NO : 00123338

#### M. Somasundaram

Chief Financial Officer

#### Narendra Ostawal

Director

DIN NO : 06530414

#### G.Manikandan

Company Secretary

#### Anuj Kumar

CEO & Director

DIN NO : 08268864

Place: Chennai

Date: 16th June 2020



# Independent Auditor's Report

## To the Members of Computer Age Management Services Limited

### Report on the Audit of the Consolidated Ind AS financial statements

#### 1. Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Computer Age Management Services Limited** ("the Holding Company"), its subsidiaries (together referred as "Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2020, of consolidated profit and loss Account for the year then ended, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 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 Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3. Emphasis of Matter

We draw attention to Note No.41 of the Financial Statements, which describes the uncertainties and the impact of COVID-19, wherein based on the prudence principles applied, the company did not find any adverse impact on its Financial Statements as on date with the available information and will continue to closely monitor developments based on the circumstances that may emerge. The assessment of the Management is dependent on the circumstances as they evolve considering the uncertainties prevailing in the economic situation.

Our opinion is not modified in respect of this matter.

#### 4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included Board's Report including Annexures to Board's Report and Shareholder's Information, 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 the 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.

#### 5. Responsibilities of Management for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its subsidiaries in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

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

## **6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements**

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

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

- a) 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.
- b) 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 Companies Act, 2013, 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 and 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.
- e) 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.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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 Ind AS financial statements of which we are the independent auditors.
- g) We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.
- h) 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.

- i) 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.

j) **Other Matters**

We did not audit the financial statements of the foreign subsidiary, whose financial statements reflect total assets of Rs. 126.63 lakhs as at 31st March, 2020, total revenues of Rs. 294.52 lakhs and net cash outflow amounting to Rs. 26.76 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

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

## 7. 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 Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant 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.
- e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and Subsidiary companies incorporated in India, none of the directors of the Holding company and its subsidiary companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- g) The managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act 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 Auditor's) Rules, 2014, in our opinion and to the best of our in format in and according to the explanations given to us:
  - (i) The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements – Refer Note 48 to the Consolidated Ind AS financial statements.
  - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

**For BRAHMAYYA & Co.**  
Chartered Accountants  
Firm Regn. No.000511S

**P. Babu**  
Partner

Place: Chennai  
Date: 16<sup>th</sup> June, 2020

Membership No.203358  
UDIN:20203358AAAAKR6316

## **“Annexure - A” to the Auditors’ Report Referred to in Paragraph 7 of Our Report of Even Date**

### **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 the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Computer Age Management Services Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 (ICAI)”. 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting 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 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**

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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 companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For BRAHMAYYA & Co.**

Chartered Accountants

Firm Regn. No.000511S

**P. Babu**

Partner

Membership No.203358

UDIN:20203358AAAAKR6316

Place: Chennai

Date: 16<sup>th</sup> June, 2020

# Consolidated Balance Sheet

as at 31st March 2020

Particulars	Note No.	As at 31 March 2020 In Rs. Lakhs	As at 31 March 2019 In Rs. Lakhs
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	4	6,525.21	7,102.84
Right of use assets		9,906.30	-
Goodwill		13,359.83	13,359.83
Intangible assets		1,107.99	1,823.39
Financial Assets			
- Investments	5	53.30	204.08
- Loans - Security deposits	7	1,275.92	1,257.46
- Other financial assets	8	20.00	-
Deferred tax assets (net)	26	518.25	1,470.75
Other non-current assets	12	28.93	444.55
<b>Total Non-Current Assets</b>		<b>32,795.73</b>	<b>25,662.90</b>
<b>2 Current assets</b>			
Financial Assets			
- Investments	5	30,560.50	23,049.76
- Trade Receivables	6	3,203.07	2,696.96
- Cash and Cash Equivalents	9	2,322.14	486.11
- Bank Balances other than Cash and Cash Equivalents	10	2,723.77	3,864.24
- Loans	7	57.40	66.88
- Other Financial Assets	8	578.40	37.04
Current Tax Assets (Net)	11	1,504.23	-
Other Current Assets	12	7,290.73	8,056.55
<b>Total Current Assets</b>		<b>48,240.24</b>	<b>38,257.54</b>
<b>TOTAL ASSETS</b>		<b>81,035.97</b>	<b>63,920.44</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Share Capital	13	4,876.00	4,876.00
Other Equity	14	50,009.64	40,298.77
<b>Equity attributable to owners of the Company</b>		<b>54,885.64</b>	<b>45,174.77</b>
<b>Non-Controlling Interests</b>		-	829.45
<b>Total Equity</b>		<b>54,885.64</b>	<b>46,004.22</b>
<b>2 Non-current liabilities</b>			
- Other Financial Liabilities	16	7,598.84	-
Provisions	18	7,350.15	7,125.39
<b>Total Non-Current Liabilities</b>		<b>14,948.99</b>	<b>7,125.39</b>
<b>3 Current liabilities</b>			
Financial Liabilities			
- Trade Payables			
a. Total outstanding dues to micro enterprises and small enterprises	15	68.78	34.49
b. dues to Others	15	3,529.24	3,559.22
- Other Financial Liabilities	16	2,591.28	-
Other Current Liabilities	17	3,968.05	5,297.56
Provisions	18	1,043.99	1,708.74
Current Tax Liabilities (Net)	19	-	190.82
<b>Total Current Liabilities</b>		<b>11,201.34</b>	<b>10,790.83</b>
<b>Total Liabilities</b>		<b>26,150.33</b>	<b>17,916.22</b>
<b>Total Equity and Liabilities</b>		<b>81,035.97</b>	<b>63,920.44</b>

In terms of our report attached.

For Brahmayya &amp; Co

Chartered Accountants

Registration No : 000511S

P. Babu

Partner

Membership No : 203358

For and on behalf of the Board of Directors

Natarajan Srinivasan

Director

DIN NO : 00123338

M. Somasundaram

Chief Financial Officer

Narendra Ostawal

Director

DIN NO : 06530414

G.Manikandan

Company Secretary

Anuj Kumar

CEO &amp; Director

DIN NO : 08268864

Place: Chennai

Date: 16th June 2020

# Consolidated Statement of Profit and Loss

for the Year ended 31st March 2020

Particulars		Note No.	For the Year ended 31st March 2020 In Rs. Lakhs	For the year ended 31st March 2019 In Rs. Lakhs
I	Revenue from operations	20	69,962.99	69,364.39
II	Other income	21	2,096.71	1,806.32
III	<b>Total revenue</b>		<b>72,059.70</b>	<b>71,170.71</b>
IV	<b>Expenses</b>			
	Employee benefits expense	22	25,799.22	27,461.73
	Finance costs	23	995.43	27.81
	Depreciation and amortisation expense	4	5,125.08	2,843.66
	Operating expenses	24	8,661.04	10,581.83
	Other expenses	25	6,795.11	9,529.88
	<b>Total expenses</b>		<b>47,375.88</b>	<b>50,444.91</b>
V	<b>Profit/(loss) before exceptional items and tax</b>		<b>24,683.82</b>	<b>20,725.80</b>
	Exceptional items		-	-
VI	<b>Profit/(loss) before tax</b>		<b>24,683.82</b>	<b>20,725.80</b>
VII	<b>Tax expense / (benefit):</b>			
	Current tax		6,542.10	7,643.35
	MAT credit written off / (availed)	26	342.64	-229.00
	Deferred tax		609.86	(206.28)
	Net tax expense / (benefit)		<b>7,494.60</b>	<b>7,208.07</b>
VIII	<b>Profit / (Loss) for the year</b>		<b>17,189.22</b>	<b>13,517.73</b>
IX	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to Profit or Loss			
-	Remeasurements of the defined benefit liabilities / asset		(132.39)	(86.40)
	Income tax relating to items that will not be reclassified to profit or loss		33.32	30.95
	Items that may be reclassified to Profit or Loss			
-	Exchange differences in translating the financial statements of foreign operations		(2.09)	(2.92)
	<b>Total Other Comprehensive Income / (Loss)</b>		<b>(101.16)</b>	<b>(58.37)</b>
X	<b>Total Comprehensive Income</b>		<b>17,088.06</b>	<b>13,459.36</b>
	Profit attributable to			
-	Owners of the Company		17,181.95	13,464.96
-	Non-controlling interest		7.27	52.77
	Total Comprehensive Income attributable to			
-	Owners of the Company		17,080.49	13,405.08
-	Non-controlling interest		7.57	54.28
XI	<b>Earnings per share:</b>			
(a)	Basic		35.24	27.61
(b)	Diluted		35.21	27.61

In terms of our report attached.

**For Brahmayya & Co**  
Chartered Accountants  
Registration No : 000511S

**P. Babu**  
Partner  
Membership No : 203358

**For and on behalf of the Board of Directors**

**Natarajan Srinivasan**  
Director  
DIN NO : 00123338  
**M. Somasundaram**  
Chief Financial Officer

**Narendra Ostawal**  
Director  
DIN NO : 06530414  
**G.Manikandan**  
Company Secretary

**Anuj Kumar**  
CEO & Director  
DIN NO : 08268864

Place: Chennai  
Date: 16th June 2020



# Consolidated Cash Flow Statement

For the Year ended 31st March 2020

Particulars	For the Year ended 31st March 2020		For the year ended 31st March 2019	
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
<b>A. Cash flow from operating activities</b>				
Profit / (Loss) before extraordinary items and tax		24,683.82		20,725.80
<u>Adjustments for:</u>				
Depreciation and amortisation expense	5,125.08		2,843.66	
Items of Other Comprehensive Income	-101.16		-58.37	
(Profit) / loss on sale / write off of assets	20.91		16.71	
Expense on employee stock option scheme	362.10		-	
Finance costs	995.43		27.81	
Interest income	-170.11		-113.90	
Dividend income	-8.72		-8.43	
Net (gain) / loss on sale of investments	-1,548.13		-1,652.37	
Liabilities / provisions no longer required written back	-98.74		-	
Adjustments to the carrying amount of investments	-153.90		-24.94	
Net of Expected Credit loss allowance for trade and other receivables, loans and advances and bad debts written off	-14.20		7.36	
Operating profit / (loss) before working capital changes		29,092.38		21,763.33
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Trade Receivables	-491.91		-453.77	
Other Financial Non-Current Assets	-20.00		-	
Other Non-Current Assets	-122.42		684.99	
Loans	-8.98		65.28	
Other Current Financial Assets	-564.64		-	
Other Current Assets	765.82		-824.15	
Change in Money held in trust	1,161.81		-1,732.59	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade Payables	103.05		108.07	
Provisions	-439.99		2,368.80	
Other Current Financial Liabilities	0.47		-	
Other Current Liabilities	-1,329.51		1,818.27	
Cash generated from operations		28,146.08		23,798.23
Net income tax (paid) / refunds		-8,260.19		-7,593.46
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>19,885.89</b>		<b>16,204.77</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets	-1,514.56		-3,508.14	
Proceeds from sale of fixed assets	17.56		23.06	
Bank balances - Fixed deposit maturing over 3 months	-21.34		-105.62	
Purchase / Proceeds from sale of current /non-current investments	-5,657.91		239.87	
Interest received, increase / (decrease) in accrued interest	193.39		92.69	
Dividend received	8.72		8.43	
Investment in subsidiaries	-1,408.99		-	
Net income tax (paid) / refunds		-8,383.13		-3,249.71
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-8,383.13</b>		<b>-3,249.71</b>



# Consolidated Cash Flow Statement

For the Year ended 31st March 2020

Particulars	For the Year ended 31st March 2020		For the year ended 31st March 2019	
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
<b>C. Cash flow from financing activities</b>				
Interest on lease liabilities	-972.39		-	
Dividends paid (including tax on dividend)	-7,159.74		-13,208.47	
Principal towards lease liabilities	-1,534.59		-	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>-9,666.72</b>		<b>-13,208.47</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>1,836.03</b>		<b>-253.41</b>
Cash and cash equivalents at the beginning of the year		486.11		739.52
Effect of exchange differences on restatement of foreign currency		-		-
Cash and cash equivalents		<b>2,322.14</b>		<b>486.11</b>
<b>Cash and cash equivalents at the end of the year</b>				

## Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
- (iii) Other non-current assets disclosed under "Operating activities" includes Prepaid portion of rental advances of Rs 538.04 lacs.

In terms of our report attached.

## For Brahmayya & Co

Chartered Accountants  
Registration No : 000511S

## P. Babu

Partner  
Membership No : 203358

## For and on behalf of the Board of Directors

## Natarajan Srinivasan

Director  
DIN NO : 00123338

## M. Somasundaram

Chief Financial Officer

## Narendra Ostawal

Director  
DIN NO : 06530414

## G.Manikandan

Company Secretary

## Anuj Kumar

CEO & Director  
DIN NO : 08268864

Place: Chennai

Date: 16th June 2020

## Consolidated Statement of Changes in Equity

### Statement of changes in Equity For the Year ended 31st March 2020

Particulars	Reserves & Surplus				Other Comprehensive Income	Total
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs		
	Equity Share Capital	Retained earnings	General reserve	ESOP Reserve		
Balance at the beginning of the reporting year	4,876.00	29,902.44	11,042.43	-	-646.10	45,174.77
Remeasurement of Net Benefit liability / Asset Net of tax	-	-	-	-	-101.46	-101.46
Dividend	-	-7,159.74	-	-	-	-7,159.74
Profit for the year	-	17,181.95	-	-	-	17,181.95
Less: Acquisition of additional stake in subsidiary - Difference between NCI and consideration debited to retained earnings		-571.97				-571.97
ESOP expense amortised during the year	-	-	-	362.10	-	362.10
<b>Balance at the end of the reporting year</b>	<b>4,876.00</b>	<b>39,352.68</b>	<b>11,042.43</b>	<b>362.10</b>	<b>-747.56</b>	<b>54,885.64</b>

### Statement of changes in Equity For the year ended 31st March 2019

Particulars	Reserves & Surplus				Other Comprehensive Income	Total
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs		
	Equity Share Capital	Retained earnings	General reserve	ESOP Reserve		
Balance at the beginning of the reporting year	4,876.00	29,645.96	11,042.43	-	-586.22	44,978.17
Remeasurement of Net Benefit liability / Asset Net of tax	-	-	-	-	-59.89	-59.89
Dividend ( Including Dividend Tax )	-	-13,208.48	-	-	-	-13,208.48
Profit for the year	-	13,464.96	-	-	-	13,464.96
<b>Balance at the end of the reporting year</b>	<b>4,876.00</b>	<b>29,902.44</b>	<b>11,042.43</b>	<b>-</b>	<b>-646.10</b>	<b>45,174.77</b>

In terms of our report attached.

#### For Brahmayya & Co

Chartered Accountants  
Registration No : 000511S

#### P. Babu

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DIN NO : 06530414

#### G.Manikandan

Company Secretary

#### Anuj Kumar

CEO & Director  
DIN NO : 08268864

Place: Chennai

Date: 16th June 2020

# Basis of preparation and significant accounting policies

## 1. Reporting entity

Computer Age Management Services Limited ('CAMS' or 'Company') is India's largest Mutual Fund Transfer Agency serving over 69% of assets of the Indian mutual fund industry. As an integral part of the India's financial infrastructure, CAMS has built a reputation as a Transfer Agency to the Asset Management Industry of India and technology enabled service solutions partner to Private Equity Funds, Banks, Non-Banking Finance Companies.

The Company has been converted as Public limited Company with effect from 27th September 2019 and its Corporate identity Number is U65910TN1988PLC015757 issued by Registrar of companies, Chennai, Tamil Nadu. CAMS together with its subsidiaries are herein after referred to as 'Group'.

## 2. Basis of preparation

### A. Statement of Compliance

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

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 16<sup>th</sup> June 2020.

### B. Functional and Presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

### C. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of net defined benefit obligation

### D. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 3(b) – Revenue Recognition

Note 3(c) – Classification of financial assets; assessment of business model within which the assets are held and assessment of whether the contractual terms of financial assets are solely payment of principal and interest on principal amount outstanding

Note 3(g) – Leases: Whether an arrangement contains a lease; assessment of lease term

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2020 is included in the following notes:

#### a) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cashflow model. The inputs to these models are taken from observable markets where possible. Where this is not feasible, a degree of judgement is required in establishing fair values. The judgement includes considerations of inputs such as liquidity risk, credit risk and volatility. Further details about fair value measurements are disclosed in Note 36.

**b) Impairment of financial assets**

Lifetime expected credit loss allowance is computed based on historical payment patterns, customer credit worthiness, customer concentrations, adjusted for forward looking information on collection. Further details about the expected credit loss allowance are disclosed in Note 36.

**c) Useful life and residual value of property, plant and equipment and intangible assets**

The charge in respect of depreciation is derived after estimating the asset's expected useful life and the expected residual value at the end of its life. The depreciation method, useful lives and residual values of the Group's assets are estimated by the management at the time the asset is acquired and reviewed at financial year end.

**d) Share based payments**

The Group initially measures the cost of equity settled transactions with employees using the Black Scholes model to determine the fair value of the options granted. Estimating the fair value of the share options granted require 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 the fair value for the share based payment transactions are disclosed in Note 37.

**e) Defined benefit plans (Gratuity)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about the gratuity obligation are disclosed in Note 27.

**f) Provisions and contingencies**

Assessments undertaken in recognizing provisions and contingencies are made as per the best judgement of the management based on the current available information. Provisions are reviewed at each accounting period and revisions made for the change in facts and circumstances.

**g) Impairment of non-financial assets**

The determination of recoverable amounts of the cash generating units assessed in an impairment test requires the Group to estimate their fair values net of disposal costs as well as their value-in-use. The assessment of value-in-use requires assumptions to be made with respect to the operating cash flows of the cash generating unit as well as discount rates.

**h) Income taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. The Group establishes provisions based on reasonable estimates, for possible consequences of assessment by the tax authorities of the jurisdiction in which it operates. The amount if such provision is based on various factors such as experience of previous tax assessments and differing interpretations of tax laws by the taxable entity and the responsible tax authority. The Group assesses the probability of litigation and subsequent cash outflow with respect to taxes.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**E. Measurement of fair values**

Fair value is the price that would be received from of 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 most advantageous market must be accessible to/ by the Company.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### F. Classification of assets and liabilities as current and non-current

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

All other assets are classified as non-current.

A **liability** is current when:

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

All other liabilities are classified as non-current.

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

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

### 3. Significant accounting policies

#### a) Basis of Consolidation

##### **Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The list of subsidiaries of the Group along with their business profile:

- i. **CAMS Insurance Repository Services Limited** – The entity is one of the Insurance Repositories in India licensed by Insurance Regulatory and Development Authority of India (IRDAI). An Insurance Repository helps the policy holders to keep the insurance policies in electronic form. CAMS Insurance Repository Services Limited is also business solution partner for insurers in India.
- ii. **CAMS Investor Services Private Limited** – Promoted by CAMS, the entity uses technology in processing, storing and retrieving of KYC documents and interface capabilities with intermediaries and other KYC Registration Agencies.
- iii. **CAMS Financial Information Services Private Limited** - The entity was incorporated with the object of carrying out the business of Account Aggregator services. The entity has received in-principle approval and the Company is in the process of taking further step for commencing the business.
- iv. **Sterling Software Private Limited** – The entity is a software enterprise based in Chennai, India, offering products and services in a range of industries, with its specialty being mutual funds. Sterling Software is the entity behind the platform / product innovations offered by CAMS in the mutual fund space in India.
- v. **Sterling Software (Deutschland) GmbH** – The entity is a wholly owned subsidiary of Sterling Software Private Limited incorporated in Germany and is engaged in the business of providing IT Software services and consultancy.

The financial statements of the aforesaid subsidiaries have been consolidated as per Ind AS 110 in the Consolidated Financial Statements.

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>Proportion of ownership Interest (%)</b>
CAMS Insurance Repository Services Limited #	India	100.00
CAMS Investor Services Private Limited	India	100.00
CAMS Financial Information Services Private Limited	India	100.00
Sterling Software Private Limited	India	100.00
Sterling Software (Deutschland) GmbH *	Germany	100.00

# 79% till May 31, 2019, thereafter 100%.

\*Sterling Software (Deutschland) GmbH, being the immediate subsidiary of Sterling Software Private Limited has been consolidated in the financial statements of ultimate holding / parent Company i.e. Computer Age Management Services Limited.

#### ***Transactions eliminated on consolidation***

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

#### ***Non-controlling Interest (NCI)***

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted as equity transactions.

### **b) Revenue**

The Group recognizes revenue in a manner that depicts the transfer of promised goods or services to customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group recognizes revenue when or as a performance obligation is satisfied i.e. when control of the goods or services pertaining to the respective performance obligation is transferred to the customer.

Revenue from data processing services, customer care services, software development and support services are recognized based on agreements entered into with the customers as the services are rendered. Revenue from software application user licenses are recognized on transfer of legal title in the user license. In the case of contracts with significant implementation services, revenue is recognized over the period of the contract. Revenue is recognized only to the extent that it is highly probable that a significant reversal will not occur.

The Group has adopted the output method to measure progress of each performance obligation except for those contracts where revenue is dependent on the number of resources deployed.

Recoverables represent expenses incurred in relation to services performed that are allocated and recovered from the customers based on the agreed terms and conditions.

Income from interest on deposits and interest-bearing securities is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rates.

Dividends are recognized in the Statement of Profit or Loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

### **c) Financial Instruments**

#### ***Recognition and initial measurement***

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date.

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

#### ***Classification and subsequent measurement***

##### ***Financial assets***

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt investment;

- Fair Value through Other Comprehensive Income ('FVOCI') – equity investment; or
- Fair Value Through Profit and Loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### ***Business model assessment***

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

#### ***Assessment whether contractual cash flows are solely payments of principal and interest***

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

#### ***Subsequent recognition of gains and losses***

##### ***Financial assets at FVTPL***

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit or Loss.

##### ***Financial assets at amortised cost***

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit or Loss. Any gain or loss on derecognition is recognised in the Statement of Profit or Loss.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the:

- gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

##### ***Debt investments at FVOCI***

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit or Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit or Loss.

***Equity investments at FVOCI***

These assets are subsequently measured at fair value. Dividends are recognized as income in Statement of Profit or Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the Statement of Profit or Loss.

***Financial liabilities: Classification, subsequent measurement and gains and losses***

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held for trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit or Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit or Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit or Loss.

***Derecognition******Financial assets***

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

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

***Financial liabilities***

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit or Loss.

***Offsetting***

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**d) Impairment of financial assets**

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.



When estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward- looking information.

#### **Measurement of expected Credit Loss**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

#### **Presentation of allowance for expected credit losses**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and charged to the Statement of Profit or Loss

For debt securities at FVOCI, the loss allowance is charged to Statement of Profit or Loss and is recognised in OCI.

#### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### **Investment in subsidiaries**

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

### **e) Property, plant and equipment**

#### **Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit or Loss.

#### **Subsequent expenditure**

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

#### **Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognised in the Statement of Profit or Loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<b>Asset Block</b>	<b>Management estimate of useful life</b>
Building	60 years
Computers	3 to 6 years
Air Conditioners	15 years
Office Equipment	10 years
Electrical Fittings	10 years
Furniture & Fixtures	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

f) **Goodwill and other intangible assets**

**Goodwill**

Goodwill represents the cost of business acquisition in excess of the Groups' interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree on the date of acquisition. Goodwill is measured at cost less accumulated impairment losses.

**Other intangible assets**

Intangible assets acquired separately are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Statement of Profit or Loss as incurred.

**Amortisation**

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit or Loss.

The estimated useful lives of items of intangible assets for the current and comparative periods are as follows:

Asset Block	Management estimate of useful life
Software	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

g) **Leases**

During the year ended 31<sup>st</sup> March 2020, the Group has applied Ind AS 116 *Leases* using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17 *Leases*. The details of accounting policies under Ind AS 17 are disclosed separately.

**Policy applicable from 01<sup>st</sup> April 2019**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after 01<sup>st</sup> April 2019.

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **Policy applicable before 01<sup>st</sup> April 2019**

##### **As a lessee**

In the comparative period, as a lessee the Group classified leases that transferred substantially all of the risks and rewards of ownership as finance leases. Assets held under other leases were classified as operating leases and were not recognised in the Group's balance sheet. Payments made under operating leases were recognized in Statement of Profit or Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

#### **h) Impairment of non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates the cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGU').

Goodwill arising from business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the CGU (or the asset).

Where it is not possible to estimate the recoverable amount of the individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit or Loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. Impairment loss in respect of other assets is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years. A reversal of impairment loss is recognized immediately in the Statement of Profit or Loss.

#### **i) Foreign currency**

##### **Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit or Loss, except exchange differences arising from the translation of equity investments at fair value through OCI, which are recognised in OCI.

##### **Foreign operations**

The assets and liabilities, including goodwill and fair value adjustments arising on acquisition, of foreign operations (subsidiaries) whose functional currency is a currency other than INR are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of such foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to the Statement of Profit or Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI.

j) **Employee benefits**

i. **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit or Loss in the periods during which the related services are rendered by employees.

iii. **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The contributions made to the fund are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized on the Balance Sheet.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit or Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. **Other long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders related service are recognized as a liability at the present value of the obligation as at the Balance Sheet date less fair value of the plan assets out of which the obligations are expected to be settled. The cost of providing benefits is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit or Loss in the period in which they arise.

v. **Share-based payment transactions**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of Profit or Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to Employee Stock Option Reserve account in Reserves & Surplus.

k) **Income taxes**

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

Current and deferred taxes are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

**l) Provisions, Contingent liabilities and Contingent assets**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and risks specific to the liability. When discounted, the increase in provision due to the passage of time is recognized as finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are disclosed where an inflow economic benefit is probable.

**Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

**m) Operating segments**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company is responsible for allocating resources and assessing the performance of the operating segments and accordingly is identified as the CODM. The Group's CODM reviews financial information presented, for purposes of making operating decisions and assessing financial performance of the Group.

n) **Earnings per share**

The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

o) **Cash and cash equivalents**

Cash and cash equivalents are short-term highly liquid investments that are readily convertible into cash with original maturities of three months or less. Cash and cash equivalents consist primarily of cash and deposits with banks.

p) **Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from operating, investing and financing activities of the Group are segregated.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 4 Property, Plant and Equipment

### I. Current Year

#### a) Property, plant and Equipment.

Sl. No.	Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation			Net Block		In Rs. Lakhs
		Balance as at 01st April 2019	Additions	Disposals/ Adjustments	Balance as at 31st March 2020	Balance as at 01st April 2019	Expense for the Year	Elimination on Disposal/ Adjustments of Assets	Balance as at 31st March 2020	Balance as at 31st March 2020	
1	Land	2,439.21	-	-	2,439.21	-	-	-	2,439.21	2,439.21	2,439.21
2	Building	503.48	-	-0.00	503.48	201.41	14.48	0.00	215.89	287.59	302.07
3	Plant & Equipment	473.40	111.65	65.95	519.10	253.25	47.01	56.91	243.35	275.75	220.15
4	Furniture and Fixtures	2,035.53	75.55	101.67	2,009.41	1,248.86	228.61	91.20	1,386.27	623.14	786.67
5	Office Equipments	1,077.04	98.66	41.48	1,134.22	783.28	147.21	38.21	892.28	241.94	293.76
6	Computers	9,568.35	964.50	236.21	10,296.64	6,715.29	1,311.89	221.76	7,805.44	2,491.20	2,893.06
7	Electrical Fittings	574.37	16.55	24.91	566.01	366.45	56.85	23.67	399.63	166.38	207.92
	<b>Total</b>	<b>16,671.38</b>	<b>1,266.91</b>	<b>470.22</b>	<b>17,468.07</b>	<b>9,568.54</b>	<b>1,806.06</b>	<b>431.76</b>	<b>10,942.86</b>	<b>6,525.21</b>	<b>7,102.84</b>

### b) Right of Use Assets

Sl. No.	Right to Use Assets	Gross Block			Accumulated Depreciation			Net Block	
		Balance as at 01st April 2019	Recognition of ROU Asset on initial application of Ind AS 116	Additions/ disposals/ adjustments during the year	Balance as at 31st March 2020	Balance as at 01st April 2019	Depreciation Expense for the Year	Balance as at 31st March 2020	Balance as at 31st March 2019
1	Leashold improvements	-	12,264.97	2.69	12,262.29	-	2,355.99	2,355.99	9,906.30
	<b>Total</b>	<b>-</b>	<b>12,264.97</b>	<b>2.69</b>	<b>12,262.29</b>	<b>-</b>	<b>2,355.99</b>	<b>2,355.99</b>	<b>9,906.30</b>

### c) Intangible Assets

#### I. Current Year

Sl. No.	Intangible Assets - Owned/ Acquired	Gross Block				Accumulated Amortisation			Net Block	
		Balance as at 01st April 2019	Additions	Disposals/ Adjustments	Balance as at 31st March 2020	Balance as at 01st April 2019	Depreciation Expense for the year	Elimination on Disposal/ Adjustments of Assets	Balance as at 31st March 2020	Balance as at 31st March 2019
1	Software	4,823.17	247.64	0.00	5,070.81	2,999.78	963.03	-0.01	3,962.82	1,823.39
2	Goodwill on Consolidation	13,359.83	-	-	13,359.83	-	-	-	13,359.83	13,359.83
	<b>Total</b>	<b>18,183.00</b>	<b>247.64</b>	<b>0.00</b>	<b>18,430.64</b>	<b>2,999.78</b>	<b>963.03</b>	<b>-0.01</b>	<b>3,962.82</b>	<b>15,183.22</b>

#### Depreciation and amortisation expense

Particulars	Depreciation Expense for the year
(a) Depreciation of Property, Plant and Equipment	1,806.06
(b) Depreciation on Right of Use assets	2,355.99
(c) Amortisation of Intangible Assets	963.03
<b>Total</b>	<b>5,125.08</b>



# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## II. Previous Year

Sl. No.	Property, Plant and Equipment - Owned/ Acquired	Gross Block			Accumulated Depreciation			Net Block	
		Balance as at 01st April 2018	Additions	Disposals/ Adjustments	Balance as at 31st March 2019	Balance as at 01st April 2018	Depreciation Expense for the period	Elimination on Disposal/ Adjustments of Assets	Balance as at 31st March 2019
1	Land	2,439.21	-	-	2,439.21	-	-	-	2,439.21
2	Building	503.48	-	-	503.48	186.38	15.21	0.18	302.07
3	Plant & Equipment	390.19	98.66	15.45	473.40	227.96	37.95	12.65	220.15
4	Furniture and Fixtures	1,659.42	479.50	103.39	2,035.53	1,086.22	254.52	91.88	786.67
5	Office Equipments	952.56	196.31	71.83	1,077.04	663.77	186.38	66.87	293.76
6	Computers	8,418.54	1,451.83	302.02	9,568.35	5,366.11	1,635.22	286.04	2,853.07
7	Electrical Fittings	500.10	100.41	26.13	574.37	329.36	58.54	21.45	207.92
	<b>Total</b>	<b>14,863.49</b>	<b>2,326.71</b>	<b>518.83</b>	<b>16,671.38</b>	<b>7,859.79</b>	<b>2,187.82</b>	<b>479.07</b>	<b>7,102.84</b>

### Intangible Assets

Sl. No.	Intangible Assets - Owned/ Acquired	Gross Block			Accumulated Amortisation			Net Block	
		Balance as at 01st April 2018	Additions	Disposals/ Adjustments	Balance as at 31st March 2019	Balance as at 01st April 2018	Depreciation Expense for the period	Elimination on Disposal/ Adjustments of Assets	Balance as at 31st March 2019
1	Software	3,641.76	1,181.43	0.02	4,823.17	2,343.93	655.84	-0.01	1,823.39
2	Goodwill on Consolidation	13,359.83	-	-	13,359.83	-	-	-	13,359.83
	<b>Total</b>	<b>17,001.59</b>	<b>1,181.43</b>	<b>0.02</b>	<b>18,183.00</b>	<b>2,343.93</b>	<b>655.84</b>	<b>-0.01</b>	<b>15,183.22</b>

### Note Depreciation and amortisation expense

Particulars		For the year ended 31st March 2019
(a) Depreciation of Property, Plant and Equipment		2,187.82
(b) Amortisation of Intangible Assets		655.84
<b>Total</b>		<b>2,843.66</b>



# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 5 Investment

Particulars	As at 31 March 2020			As at 31 March 2019		
	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Total In Rs. Lakhs	Current In Rs. Lakhs	Non Current In Rs. Lakhs	Total In Rs. Lakhs
Investments in Government or trust securities	-	53.30	53.30	-	53.96	53.96
Investments in Mutual fund	30,560.50	-	30,560.50	23,049.76	150.12	23,199.88
<b>TOTAL INVESTMENTS CARRYING VALUE</b>	<b>30,560.50</b>	<b>53.30</b>	<b>30,613.80</b>	<b>23,049.76</b>	<b>204.08</b>	<b>23,253.84</b>

## Note: 6 Trade receivables

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Unsecured, considered good	3,203.07	-	2,696.96	-
Doubtful	142.70	-	187.40	-
	3,345.77	-	2,884.36	-
Less: Expect Credit loss allowance	142.70	-	187.40	-
<b>Total</b>	<b>3,203.07</b>	<b>-</b>	<b>2,696.96</b>	<b>-</b>

## Note: 7 Financial Assets: Loans

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non- Current	Current	Non- Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Security deposits	-	1,258.04	-	1,233.29
Unsecured considered good	-	26.90	-	-
doubtful	-	1,284.94	-	1,233.29
Less: Expected Credit loss on rental advance and other vendor advances	-	26.90	-	-
	-	1,258.04	-	1,233.29
Loans and advances to employees	54.40	17.88	46.67	10.80
Unsecured considered good	3.00	-	20.21	13.37
Other loans and advances	-	-	-	-
Unsecured considered good	-	-	-	-
<b>Total</b>	<b>57.40</b>	<b>1,275.92</b>	<b>66.88</b>	<b>1,257.46</b>

## Note: 8 Other Financial Assets

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Interest accrued, but not due on Fixed Deposits with banks	13.76	-	37.04	-
Balances held as margin money - Maturity more than 12 months	-	20.00	-	-
Contractually reimbursable payments	557.39	-	-	-
Others	7.25	-	-	-
<b>Total</b>	<b>578.40</b>	<b>20.00</b>	<b>37.04</b>	<b>-</b>

## Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

### Note: 9 Cash and Cash equivalents

Particulars	As at 31st March 2020 In Rs. Lakhs	As at 31st March 2019 In Rs. Lakhs
<b>Cash and Bank Balances</b>		
Cash on hand	4.74	2.08
Balances with banks		
- In current accounts	2,317.40	484.03
<b>Total</b>	<b>2,322.14</b>	<b>486.11</b>

### Note: 10 Bank balances other than cash and cash equivalents

Particulars	As at 31st March 2020 In Rs. Lakhs	As at 31st March 2019 In Rs. Lakhs
Balances with banks		
- In deposit accounts	985.00	935.62
- Balances held as margin money or security against borrowings, guarantees and other commitments	110.60	138.64
Other earmarked accounts		
- In NPS collection	3.19	11.99
- In ECS Collection	1,624.98	2,777.99
<b>Total</b>	<b>2,723.77</b>	<b>3,864.24</b>

### Note: 11 Current Tax Assets (Net)

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Advance Tax & TDS (Net of Provision for tax amounting to Rs. 44,936.25 Lakhs)	1,504.23	-	-	-
<b>Total</b>	<b>1,504.23</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note: 12 Other assets

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Capital Advances	-	0.16	-	16.37
Advance to suppliers	289.77	-	177.32	-
Accrued Income	5,207.79	-	5,751.11	-
Balances with government authorities (other than income taxes)	986.25	-	1,047.93	-
Prepayments	731.61	28.77	999.36	428.18
Others	75.31	-	80.83	-
<b>Total</b>	<b>7,290.73</b>	<b>28.93</b>	<b>8,056.55</b>	<b>444.55</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 13 Share Capital

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Value	Number of shares	Value
Authorised				
Equity shares of Rs. 10 each with voting rights	50,250,000	5,025.00	50,250,000	5,025.00
Issued				
Equity shares of Rs. 10 each with voting rights	48,760,000	4,876.00	48,760,000	4,876.00
Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	48,760,000	4,876.00	48,760,000	4,876.00
<b>Total issued, subscribed and paid up share capital</b>	<b>48,760,000</b>	<b>4,876.00</b>	<b>48,760,000</b>	<b>4,876.00</b>

### Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Others	Closing Balance
Equity shares with voting rights				
Year ended 31 March 2020				
- Number of shares	48,760,000	-	-	48,760,000
- Amount (In Rs. Lakhs)	4,876.00	-	-	4,876.00

Details of shares held by each shareholder holding more than 5% shares:

Equity Shares with Voting Rights	As at 31 March 2020		As at 31st March 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Great Terrain Investment Limited	21,224,000	43.53%	18,284,000	37.50%
NSE Investments Limited	18,285,000	37.50%	18,285,000	37.50%
Housing Development Finance Corporation Ltd	2,920,724	5.99%	2,920,724	5.99%
HDFC Bank Ltd	1,623,708	3.33%	1,623,708	3.33%
HDB Employee Welfare Trust	1,555,444	3.19%	1,555,444	3.19%
Acsys Investments Private Limited	944,724	1.94%	5,835,124	11.97%

## Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

### Note: 14 Other Equity

Particulars	As at 31 March 2020	As at 31st March 2019
	In Rs. Lakhs	In Rs. Lakhs
ESOP Reserve		
Add: Expense amortised during the period	362.10	-
Closing balance	362.10	-
General reserve		
Opening balance	11,042.43	11,042.43
Closing balance	11,042.43	11,042.43
Other Comprehensive Income		
Opening balance	-646.10	-586.22
OCI recognised during the period	-101.56	-59.89
Closing balance	-747.66	-646.10
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	29,902.44	29,645.96
Add: Profit / (Loss) for the year	17,181.95	13,464.96
Less: Dividend		
Less: Dividends declared to be distributed to equity shareholders (including Dividend tax)	-7,159.74	-13,208.48
Less: Acquisition of additional stake in subsidiary - Difference between NCI and consideration debited to retained earnings	-571.97	
Closing balance	39,352.68	29,902.44
<b>Total</b>	<b>50,009.64</b>	<b>40,298.77</b>

### Note: 15 Trade payables

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Total Outstanding dues to Micro, Small and Medium Enterprises	68.78		34.49	
Total Outstanding dues to Others	748.45	-	1,449.73	-
Claims Payable	440.27	-	216.48	-
Expenses Payable	2,340.52	-	1,893.01	-
<b>Total</b>	<b>3,598.02</b>	<b>-</b>	<b>3,593.71</b>	<b>-</b>

### Note: 16 Other Financial Liabilities

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Lease liabilities	2,590.81	7,598.84	-	-
Others - staff medical recovery	0.47	-	-	-
<b>Total</b>	<b>2,591.28</b>	<b>7,598.84</b>	<b>-</b>	<b>-</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 17 Other Liabilities

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Statutory dues				
- taxes payable (other than income taxes)	1,926.27	-	2,155.65	-
- Employee Recoveries and Employer Contributions	199.38	-	208.92	-
Income Received in Advance	51.01	-	10.73	-
Others	1,791.39	-	2,922.26	-
<b>Total</b>	<b>3,968.05</b>	<b>-</b>	<b>5,297.56</b>	<b>-</b>

## Note: 18 Provisions

Particulars	As at 31st March 2020		As at 31st March 2019	
	Current	Non Current	Current	Non Current
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Provision for employee benefits:				
Provision for Gratuity (net)	-	484.65	-	390.85
Provision for other employee benefits	1,043.99	-	1,708.74	-
Provision - Others:				
Claims Provision	-	6,865.50	-	6,734.54
<b>Total</b>	<b>1,043.99</b>	<b>7,350.15</b>	<b>1,708.74</b>	<b>7,125.39</b>

## Note: 19 Current Tax Liabilities

Particulars	As at 31st March 2020 In Rs. Lakhs	As at 31st March 2019 In Rs. Lakhs
Provision for tax ( Net of Advance tax and TDS amounting to Rs. 38,281.73 Lakhs)	-	190.82
<b>Total</b>	<b>-</b>	<b>190.82</b>

## Note: 20 Revenue from operations

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Revenue from rendering of services	69,962.99	69,364.39
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>

Revenue from rendering of services comprises of :

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Data processing	55,339.20	53,504.40
Customer Care services	6,254.89	6,565.32
Recoverables	3,625.52	4,795.32
Miscellaneous services	3,878.50	3,528.10
Software license fee, development & support services	864.88	971.25
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>

## Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

### Note: 21 Other income

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Interest Income		
- On Bank deposits and interest from NHAI Bonds	80.69	82.83
- On Financial Assets at Amortised Cost	89.42	31.07
Dividend Income		
- Others	8.72	8.43
Net Gain / (Loss) On sale of investments	1,548.13	1,652.37
Net gain/(loss) arising on financial assets designated as at FVTPL	153.90	24.94
Miscellaneous Income	36.41	6.68
Provision of disputed taxes - written back	98.74	-
Provisions no longer required - Written back	80.70	-
<b>Total - Other non operating income</b>	<b>2,096.71</b>	<b>1,806.32</b>

### Note: 22 Employee benefits expense

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Salaries and wages, including bonus	18,641.59	19,675.26
Contributions to provident and other funds	1,687.72	1,702.52
Share based payment transactions expenses		
- Equity-settled share-based payments	362.10	-
Staff welfare expenses	631.83	664.38
Manpower Charges	4,475.98	5,419.57
<b>Total</b>	<b>25,799.22</b>	<b>27,461.73</b>

### Note: 23 Finance costs

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Interest on Lease liabilities	972.39	-
Interest on disputed taxes	23.04	27.81
<b>Total</b>	<b>995.43</b>	<b>27.81</b>

## Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

### Note: 24 Operating Expenses

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Service expenses	3,694.65	4,955.21
Data entry charges	647.43	1,109.84
Customer Service Centre Charges	1,300.09	1,492.50
Claims	1,370.94	1,566.19
Software expenses	1,647.93	1,458.09
<b>Total</b>	<b>8,661.04</b>	<b>10,581.83</b>

### Note: 25 Other expenses

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
Lease rent	115.31	2,623.20
Power and fuel	864.16	899.68
Repairs and Maintenance	1,483.04	1,203.56
Insurance	192.97	193.28
Rates and taxes	23.75	30.70
Communication	1,533.00	1,572.74
Travelling and conveyance	673.06	826.10
Printing and stationery	202.81	256.63
Business promotion	151.69	161.50
Expenditure on Corporate Social Responsibility	432.70	374.41
Audit fee - Refer Note No 39.	37.48	27.73
Legal and professional	931.54	1,045.76
Director's Sitting Fees	48.10	49.90
Net loss on foreign currency transactions and translation	1.07	4.46
Loss on fixed assets sold / scrapped / written off	20.91	16.71
Expected Credit loss allowance / (reversal)	-17.80	7.36
Bad debts	3.60	60.58
Miscellaneous expenses	97.72	175.58
<b>Total</b>	<b>6,795.11</b>	<b>9,529.88</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note: 26 Deferred Tax

### (a) Income Tax Expense

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
<b>Current Tax:</b>		
Current Income Tax Charge	6,542.10	7,643.35
<b>Deferred Tax - Debit / (Credit)</b>		
In respect of current year origination and reversal of temporary differences	952.50	-435.28
<b>Total Tax Expense recognised in statement of profit and loss</b>	<b>7,494.60</b>	<b>7,208.07</b>

### (b) Income Tax on Other Comprehensive Income

Particulars	For the Year ended 31st March 2020 In Rs. Lakhs	For the Year ended 31st March 2019 In Rs. Lakhs
<b>Current Tax</b>		
<b>On Items will not be reclassified to Profit and Loss</b>		
Remeasurements of the defined benefit liabilities / (asset)	-33.32	-30.95
<b>Total</b>	<b>-33.32</b>	<b>-30.95</b>

### Movement in Deferred Tax

Particulars	For the Year ended 31st March 2020		
	Opening Balance	Recognised in profit and Loss	Closing Balance
<b>Tax effect of items constituting (deferred tax liabilities)/deferred tax assets</b>			
Property, Plant and Equipment	-292.04	-2,377.44	2,085.40
FVTPL financial asset	-	-578.77	578.77
Sub - Total (A)	-292.04	-2,956.21	2,664.17
<b>Tax effect of items constituting deferred tax assets</b>			
Employee Benefits	431.35	137.41	293.93
Lease liabilities	-	-2,564.54	2,564.54
Other Items	404.73	80.78	323.95
Minimum Alternate Tax Credit written off	342.64	342.64	-
Sub - Total (B)	1,178.71	-2,003.71	3,182.42
<b>Net Tax Asset (Liabilities) (B-A)</b>	<b>1,470.75</b>	<b>952.51</b>	<b>518.25</b>

NOTE: An amount of Rs 301.02 lacs on account of remeasurement of opening deferred tax liabilities consequent to adoption of reduced tax rate of 25.168% as against old rate of 34.944% for CAMS, 29.12% for SSPL and 28.84% for CAMS Rep and CAMS KRA respectively.



# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 27: Employee Benefits

### I. Defined Contribution Plans

#### Provident Fund:

The Group makes contribution towards Provident Fund for its employees. The Group's contribution is deposited with the Government under the provisions of Employees' Provident Fund and Miscellaneous Provisions Act 1952. The contribution made by the Group is at the rate specified under this Act.

#### Others:

The Group makes contribution for Employee State Insurance and National Pension Scheme for its employees. All such contributions are deposited with the Government. The Group also contributes to Superannuation Fund and Pension Fund for its employees who have subscribed to the scheme.

During the year, the Group recognised the following amounts in the Statement of Profit or Loss (included in Note 22: Employee Benefit Expenses).

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Contribution to Provident Fund	540.01	506.82
Contribution to Employee State Insurance	178.40	253.08
Contribution to Superannuation Fund	20.34	20.37
Contribution to Pension Fund	534.03	535.49
Contribution to National Pension Scheme	37.24	35.00
<b>Total</b>	<b>1,310.02</b>	<b>1,350.76</b>

### II. Defined Benefit Plans

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Net defined benefit liability - Gratuity plan	59.90	20.55
Other long term employee benefits (leave encashment)	24.52	35.23
<b>Total employee benefit liabilities</b>	<b>84.42</b>	<b>55.78</b>

The Group has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act 1972. This gratuity plan entitles an employee, who has rendered atleast 4 years and 240 days of continuous service to gratuity, at the rate of 15 days wages for every completed year of service or part thereof in excess of 6 months, based on the rate of wages last drawn by the employee concerned.

#### A. Funding

The gratuity plan is fully funded by the Group. The funding requirements are based on a separate actuarial valuation within the framework set out in the funding policies of the plan. Employees do not contribute to the plan.

#### B. Reconciliation of net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

#### Reconciliation of present value of defined benefit obligation:

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	1,897.38	1,505.49
Benefits paid	-163.60	-78.18
Current service cost	293.90	266.22
Interest cost	143.56	115.84
Actuarial (gains)/ losses recognised in OCI		
- changes in demographic assumptions	-15.39	-
- changes in financial assumptions	197.14	48.42
- experience adjustments	-16.03	39.58
Total actuarial (gains)/ losses	165.72	88.01
<b>Balance at the end of the year</b>	<b>2,336.96</b>	<b>1,897.38</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current	2,149.96	1,702.16
Current	187.00	195.23
<b>Total</b>	<b>2,336.96</b>	<b>1,897.38</b>

*Reconciliation of present value of plan assets:*

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	1,876.83	1,456.56
Contributions paid into the plan	421.33	386.37
Benefits paid	-163.10	-78.18
Expected return on plan assets	142.00	112.07
<b>Balance at the end of the year</b>	<b>2,277.06</b>	<b>1,876.83</b>
<b>Net defined benefit (asset)/ liability</b>	<b>59.90</b>	<b>20.55</b>

**C. Expenses recognised****i. In Statement of Profit or Loss**

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Current service cost	293.90	266.22
Net interest expenses	1.56	3.77
<b>Total</b>	<b>295.46</b>	<b>269.99</b>

**ii. Remeasurements recognised in OCI**

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Actuarial (gains)/ losses on defined benefit obligation	165.72	88.01
<b>Total</b>	<b>165.72</b>	<b>88.01</b>

**D. Plan Assets**

Plan assets comprise of the following:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Investment with Life Insurance Corporation of India	100%	100%

**E. Defined Benefit Obligations****i. Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31st March 2020	As at 31st March 2019
Discount rate	6.60%	7.55%
Future salary growth	8% for first 3 years and 6% thereafter	8% for first 3 years and 6% thereafter
Retirement Age	60 years	58 years
Mortality rate	100% of IALM 12-14	100% of IALM 06-08
Attrition rate	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%

As at 31st March 2020, the weighted average duration of the defined benefit obligation was 9 years (31st March 2019 : 8 years).

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## ii. Sensitivity analysis

Particulars	Increase	Decrease
<b>31-Mar-20</b>		
Discount rate (1% movement)	2,150.87	2,550.83
Future salary growth (1% movement)	2,537.56	2,157.12
Attrition rate (1% movement)	2,321.23	2,340.68
Mortality rate (1% movement)	2,337.32	2,336.60
<b>31-Mar-19</b>		
Discount rate (1% movement)	1,761.96	2,051.26
Future salary growth (1% movement)	2,043.77	1,764.97
Attrition rate (1% movement)	1,905.15	1,865.60
Mortality rate (1% movement)	1,897.94	1,896.87

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

## III. Other long term employee benefits - Compensated absences (Leave encashment):

### A. Reconciliation of net (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net (asset)/ liability and its components:

#### Reconciliation of present value of obligation:

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	534.02	393.16
Benefits paid	-105.23	-90.83
Current service cost	116.20	176.93
Interest cost	40.40	30.25
Actuarial (gains)/ losses	-	-
- changes in demographic assumptions	-1.43	-
- changes in financial assumptions	49.74	13.45
- experience adjustments	-34.26	11.06
Total actuarial (gains)/ losses	14.06	24.51
<b>Balance at the end of the year</b>	<b>599.45</b>	<b>534.02</b>

Particulars	As at 31st March 2020	As at 31st March 2019
Non-Current	534.22	465.49
Current	65.23	68.52
<b>Total</b>	<b>599.45</b>	<b>534.02</b>

#### Reconciliation of present value of plan assets:

Particulars	As at 31st March 2020	As at 31st March 2019
Balance at the beginning of the year	498.80	406.36
Contributions paid into the plan	143.64	152.00
Benefits paid	-105.24	-90.83
Expected return on plan assets	37.74	31.27
<b>Balance at the end of the year</b>	<b>574.93</b>	<b>498.80</b>
<b>Net (asset)/ liability</b>	<b>24.52</b>	<b>35.23</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## C. Expenses recognised

### i. In Statement of Profit or Loss

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Current service cost	116.20	176.93
Net interest expense	2.67	-1.02
Actuarial (gains)/losses	14.06	24.51
<b>Total</b>	<b>132.93</b>	<b>200.43</b>

## D. Plan Assets

Plan assets comprise of the following:

Particulars	As at 31st March 2020	As at 31st March 2019
Investment with Life Insurance Corporation of India	100%	100%

## E. Leave encashment obligations

### i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31st March 2020	As at 31st March 2019
Discount rate	6.60%	7.55%
Future salary growth	8% for first 3 years and 6% thereafter	8% for first 3 years and 6% thereafter
Retirement Age	60 years	58 years
Mortality rate	100% of IALM 12-14	100% of IALM 06-08
Attrition rate	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%	Upto 30 years - 15% 31-45 years - 10% Above 45 years - 5%

As at 31 March 2020, the weighted average duration of the defined benefit obligation was 8 years (31 March 2019 : 7 years).

### ii. Sensitivity analysis

Particulars	Increase	Decrease
<b>31-Mar-20</b>		
Discount rate (1% movement)	553.35	652.85
Future salary growth (1% movement)	652.33	552.96
Attrition rate (1% movement)	605.44	587.98
Mortality rate (1% movement)	599.53	599.41
<b>31-Mar-19</b>		
Discount rate (1% movement)	497.23	576.15
Future salary growth (1% movement)	576.11	496.62
Attrition rate (1% movement)	548.52	507.83
Mortality rate (1% movement)	534.14	533.91

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

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 28: Earnings per share

### A. Basic Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for calculation of Basic EPS are as follows:

#### i. Profit or loss attributable to equity shareholders (basic)

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Profit attributable to the equity shareholders	17,181.95	13,464.96

#### ii. Weighted average number of equity shares (basic)

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Opening Balance	4,87,60,000	4,87,60,000
Weighted average number of equity shares for the year	4,87,60,000	4,87,60,000
<b>Basic EPS</b>	<b>35.24</b>	<b>27.61</b>

### B. Diluted Earnings per share

The calculations of diluted earnings per share based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares, are as follows:

#### i. Profit or loss attributable to equity shareholders (diluted)

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Profit attributable to the equity shareholders (Diluted)	17,181.95	13,464.96

#### ii. Weighted average number of equity shares (diluted)

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Weighted average number of equity shares (basic)	4,87,60,000	4,87,60,000
Effect of exercise of share options	33,982	-
Weighted average number of equity shares (diluted) for the year	4,87,93,982	4,87,60,000
<b>Diluted EPS</b>	<b>35.21</b>	<b>27.61</b>

## Note 29: Dividend per share

The Board of Directors declared:

- proposed first interim dividend of Rs 3 per share in its meeting held on 25th June 2019,
- proposed second interim dividend of Rs 3.50 per share in its meeting held on 05th September 2019,
- proposed third interim dividend of Rs.5.68 in its meeting held on 17th December 2019.

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Total Dividend Paid (excluding tax on dividend)	5,938.97	10,956.37
Dividend Tax	1,076.62	2,252.11
No of equity shares	4,87,60,000	4,87,60,000
<b>Dividend per share</b>	<b>12.18</b>	<b>22.47</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 30: Disclosures under Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Management has identified enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31st March 2020 has been made based on the information available with the Group. Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Group has not received any claim for interest from any supplier under this Act.

The information has been determined to the extent such parties have been identified on the basis of information available with the Group. Auditors have placed on such information provided by the Management.

Particulars	As at 31st March 2020	As at 31st March 2019
Principal amount remaining unpaid to MSME suppliers as at the end of the Year	68.78	34.49
Interest due on unpaid principal amount to MSME suppliers as at the end of the year	-	-
Amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
Amount of interest due and payable for the year (without adding the interest under the Act)	-	-
Amount of interest accrued and remaining unpaid as at the end of the year	-	-
Amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

## Note 31: Transactions in foreign currency

### i. Earnings:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Software development income	132.83	153.88
Other income (Out of pocket expense recovered from clients)	4.96	0.47
<b>Total</b>	<b>137.79</b>	<b>154.35</b>

### ii. Expenditure:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Software procurement and maintenance expenses	247.61	50.58
Foreign travel	-	2.88
Service charges - Support service	1.56	5.25
Salaries and wages	-	51.43
Others	-	0.62
<b>Total</b>	<b>249.17</b>	<b>110.76</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 32: Related parties

### A. Names of related parties and nature of relationship:

#### I. Entities having control/ significant influence/ joint venture relationships:

Particulars	Nature of relationship
NSE Investments Limited (Formerly known as NSE Strategic Investment Corporation Limited) (upto 04th February 2020)	Shareholder having significant influence over the Parent Company
National Stock Exchange of India Limited (upto 04th February 2020)	Parent Company of NSE Investments Limited
Housing Development Finance Corp Ltd	Shareholder having significant influence over the Company
HDFC Bank Ltd	Shareholder having significant influence over the Company
HDB Employee Welfare Trust	Shareholder having significant influence over the Company
Great Terrain Investment Limited	Shareholder having significant influence over the Parent Company
Harmony River Investment Limited	Parent Company of Great Terrain Investment Limited
Warburg Pincus LLC	Ultimate Parent of Great Terrain Investment Limited

#### II. Related Group Companies of entities covered above:

Particulars	Nature of relationship
NSE Data & Analytics Limited *	Group Entity of NSE India Limited
NSE Clearing Limited (Formerly known as National Securities Clearing Corporation Limited) *	Group Entity of NSE India Limited
NSE IFSC Limited *	Group Entity of NSE India Limited
NSE IFSC Clearing Corporation Limited *	Group Entity of NSE India Limited
NSE Academy Limited *	Group Entity of NSE India Limited
NSE Indices Limited *	Group Entity of NSE India Limited
NSE IT Limited *	Group Entity of NSE India Limited
NSE Infotech Services Limited *	Group Entity of NSE India Limited
NSE Foundation *	Group Entity of NSE India Limited

\* Based on NSE communication dated 26th February 2020 and SEBI communication dated 04th February 2020, NSE Investments Limited had significant influence over the company only upto 4th February 2020, the group companies of NSE Investments Limited are also considered as related parties only upto 4th February 2020.

#### III. Key Management Personnel (KMP):

Name	Designation
Mr Vedanthachari Srinivasa Rangan	Nominee Director - CAMS
Mr Narendra Ostawal	Nominee Director - CAMS
Mr Zubin Soli Dubash	Nominee Director - CAMS
Mr Hoshang Noshirwan Sinor	Nominee Director (upto 6th December 2019) - CAMS & Nominee Director (upto 18th October 2019) - CAMS Rep
Mr David Alan Coulter	Nominee Director (upto 6th December 2019) - CAMS
Mr Jagannathan Ravichandran	Nominee Director (upto 18th December 2019) - CAMS
Mr Mukesh Agarwal	Nominee Director (from 17th December 2019 to 17th February 2020) - CAMS
Mr Sandeep Ramesh Kagzi	Nominee Director (upto 20th September 2019) - CAMS Rep
Mr. Ramabadran Narayanan	Director (upto 18th October 2019) - CAMS Rep
Mr Raghavan Putran	Director (upto 18th October 2019) - SSPL
Mr Muthukrishnan Venkataraman	Director (upto 26th August 2019) - SSPL

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Mr Anuj Kumar	Whole time Director and Chief Executive Officer - CAMS & Director - SSPL
Mr Srikanth Tanikella	COO - CAMS, Director - CAMS KRA & CAMS FIS
Mr M Somasundaram	Chief Financial Officer - CAMS & Director - SSPL, CAMS Rep, CAMS KRA & CAMS FIS
Mr Suresh Kuppusamy	CEO - SSPL
Mr S V Ramanan	CEO - CAMS Rep (upto 31st July 2019)
Mr Abishek Mishra	CEO - CAMS Rep (wef 01st August 2019)
Mr G Manikandan	Company Secretary and Compliance Officer - CAMS & Director - CAMS Rep
Mr Ravi Kiran	Business Head - New business, Director - CAMS Rep & CAMS FIS

## B. Transactions with Related Parties

Transaction	Related Parties	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>I. Income</b>			
<u>Fee for services:</u>	National Stock Exchange of India Limited	302.61	212.59
	NSE Clearing Limited	11.90	65.99
	NSE Data & Analytics Limited	0.33	0.21
<b>II. Expenses</b>			
<u>Remuneration and other Short term employment benefits:</u>	Mr Anuj Kumar	316.85	290.09
	Mr M Somasundaram	129.73	114.70
	Mr Srikanth Tanikella	153.94	138.41
	Mr Ravi Kiran	142.07	127.98
	Mr Suresh Kuppuswamy	100.34	85.83
	Mr S V Ramanan	36.81	105.92
	Mr Abishek Mishra	87.78	-
	Mr G Manikandan	60.22	54.10
<u>Other long term employee benefits (Note A):</u>	Mr Anuj Kumar	2.42	5.31
	Mr M Somasundaram	0.48	-
	Mr Srikanth Tanikella	3.07	-
	Mr Ravi Kiran	3.27	-
	Mr Suresh Kuppuswamy	1.78	-
	Mr S V Ramanan	4.00	2.14
	Mr Abishek Mishra	-	-
	Mr G Manikandan	1.38	1.29
<u>Share based payments:</u>	Mr Anuj Kumar	88.75	-
	Mr M Somasundaram	22.78	-
	Mr Srikanth Tanikella	36.35	-
	Mr Ravi Kiran	38.07	-
	Mr Suresh Kuppuswamy	14.98	-
	Mr Abishek Mishra	18.81	-
	Mr G Manikandan	7.25	-



# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Transaction	Related Parties	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<u>Sitting fees paid</u>	NSE Investments Limited	7.50	6.00
	Mr Hoshang Noshirwan Sinor	7.30	5.70
	Mr Vedanthachari Srinivasa Rangan	10.50	10.50
	Mr. Ramabadran Narayanan	1.80	2.40
	Mr Raghavan Putran	2.10	3.00
	Mr Muthukrishnan Venkataraman	0.90	1.50
<u>Interoperability expenses</u>	NSE Data & Analytics Limited	8.85	15.05
<u>Dividend paid:</u>	Mr M Somasundaram	4.87	5.73
	Mr G Manikandan	0.91	1.07
	NSE Investments Limited	2,227.11	4,597.10
	Housing Development Finance Corporation Ltd	355.74	988.66
	HDFC Bank Ltd	197.77	549.75
	HDB Employee Welfare Trust	189.45	526.60
	Great Terrain Investment Limited	2,585.08	1,663.84

**Note:** Information relating to remuneration paid to KMP excludes provision made for gratuity and leave encashment which are based on an actuarial valuation for employees on an overall basis. Leave encashment is included to the extent of payouts made for encashment by the KMP.

## C. Balances outstanding as at the end of the period

Transaction	Related Parties	As at 31st March 2020	As at 31st March 2019
<u>Balance in Current Accounts</u>	HDFC Bank Ltd	2,423.33	2,921.73
<u>Balance in Deposits Accounts</u>	HDFC Bank Ltd	950.60	113.64
<u>Trade Receivables:</u>	National Stock Exchange of India Limited	48.85	140.80
	NSE Clearing Limited	1.88	8.12
<u>Trade Payables:</u>	NSE Data & Analytics Limited	-	1.10

All transactions with related parties are on arm's length basis.

**NOTE:** An amount of Rs 557.39 lacs paid towards Offer for Sale ("OFS") on behalf of selling share holders is disclosed under "Other current assets" as "Contractually reimbursable payments" and the same will have to be ascertained and apportioned between selling share holders upon completion of the OFS process.

## Note 33: Corporate Social Responsibility

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Amount required to be spent by the Group during the year	432.11	365.17
Amount spent during the year (in cash)		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	432.70	374.41
<b>Total (i) + (ii)</b>	<b>432.70</b>	<b>374.41</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 34: Leases

The Group has entered into operating lease agreements for office spaces and printers/photocopiers.

### Office spaces taken on lease (Leasehold improvements):

Office spaces in around 100 locations across India have been taken on lease. Lease payments are made monthly and include payments for specified amenities. The Group has effective control over these office spaces as the Group will be renovating or building temporary erections as and when required. The lease term ranges from 11 months to 9 years.

### Printers and photocopiers:

The Group has applied the exemption in Ind AS 116 for leases of low value assets and has not applied the new standard for leases of printers and photocopiers. Also, the consideration paid for such leases include both rental and maintenance charges. For these leases, the lease expenses are accounted on a straight-line basis (based on actual payments) over the lease term.

Information about operating leases is presented below:

#### A. Right of Use Assets:

Particulars	Amount
Balance as at 01st April 2019	-
Recognition of ROU Asset on initial application of Ind AS 116	10,863.86
Depreciation charge for the year	-2,355.99
Additions to Right of Use Assets	1,401.12
Derecognition/ Adjustments to Right of Use Assets	-2.69
<b>Balance as at 31st March 2020</b>	<b>9,906.30</b>

#### B. Amounts recognised in Statement of Profit or Loss:

Particulars	For the year ended 31st March 2020
<b><u>2019-20 - Leases under Ind AS 116:</u></b>	
Interest on lease liabilities	972.39
Expenses relating to leases of low-value assets & short term leases	115.31
<b><u>2018 - 19 - Leases under Ind AS 17:</u></b>	
Lease expense	2,563.65

#### C. Amounts recognised in Statement of Cash Flows:

Particulars	For the year ended 31st March 2020
Total cash outflow for leases	2,506.76

Some leases for office spaces contain extension options exercisable by the Group for an additional period ranging between 11 months to 5 years. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

### Transition to Ind AS 116:

The Group has adopted Ind AS 116 with effect from 01st April 2019 using Modified Retrospective approach. The comparative information presented for 2018-19 is not restated, ie. it is presented as previously reported under Ind AS 17.

#### I. Definition of a lease

At inception of the contract, the Group assesses whether a contract is, or contains, a lease. Under Ind AS 116, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time, in exchange for consideration.

On transition to Ind AS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

leases. The Group applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Contracts that were not previously identified as leases were not reassessed for whether there is a lease under Ind AS 116. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 01st April 2019.

## II. As a lessee

On transition, lease liabilities were measured at the present value of remaining lease payments, using a discount rate on 01st April 2019. Since the Group does not have any borrowed funds, the Group has used MCLR rate provided by its bankers as the discount rate for computation of lease liability.

Right of use assets have been measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS 116.

The Group has tested its Right of Use Assets for impairment on the date of transition and has concluded that there is no indication that the Right of Use Assets are impaired.

The Group has used the following practical expedients while applying Ind AS 116 to leases previously classified as operating lease:

- i. The Group did not recognise Right of Use Assets and liabilities for leases of low value assets (eg. Printers and photocopiers).
- ii. The Group used hindsight when determining lease term.

## III. Impact on financial statements

### Impact on transition to Ind AS 116:

Particulars	As at 01st April 2019
Right of use assets - Property, Plant and Equipment (excluding prepaid rental advance)	10,322.90
Deferred tax assets	-
Lease liabilities	10,322.90
Net impact on retained earnings	-

For measuring the lease liabilities, the Group has discounted lease payments using MCLR rate provided by its bankers, which is 9.5%.

Particulars	As at 01st April 2019
Operating lease commitments as at 31st March 2019 as disclosed under Ind AS 17 in the Group's financial statements	13,023.35
Discounted using MCLR rate on 01st April 2019	-2,700.45
Lease liabilities recognised as at 01st April 2019	10,322.90

Below is the maturity analysis of lease liabilities:

Particulars	Amount
Less than 1 year	2,590.81
1 year to 3 years	4,415.66
More than 3 years	3,183.18
<b>Total</b>	<b>10,189.65</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 35: Revenue

### A. Revenue Streams

The Group generates revenue primarily from provision of application/data processing services, customer care services, software development services and other allied services to its customers.

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Revenue from Contracts with Customers	69,962.99	69,364.39
<b>Total revenue</b>	<b>69,962.99</b>	<b>69,364.39</b>

### B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major service lines, timing of revenue recognition and primary geographical market.

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>I. Major service lines:</b>		
- Data processing	55,339.20	53,504.40
- Customer Care services	6,254.89	6,565.32
- Recoverables	3,625.52	4,795.32
- Miscellaneous services	3,878.50	3,528.10
- Software license fee, development and support services	864.88	971.25
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>
<b>II. Timing of revenue recognition:</b>		
- Revenue recognised at a point in time	69,962.99	69,364.39
- Revenue recognised over a period of time	-	-
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>
<b>III. Primary geographical market:</b>		
- India	69,825.20	69,210.04
- Other countries	137.79	154.35
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>

### C. Contract Balances

The following table provides information about receivables, contract assets and liabilities from contracts with customers.

Particulars	As at 31st March 2020	As at 31st March 2019
Trade Receivables	3,203.07	2,696.96
Contract assets	5,207.79	5,751.11
Contract liabilities	51.01	10.73

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date for services rendered. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

Contract assets also include expenses incurred which are reimbursable from the customers, as per the contractually agreed terms.

The contract liabilities primarily relate to the advance consideration received from customers for software services for which revenue is recognised over time. The amount of Rs 7.00 lakhs included in contract liabilities at 31st March 2019 has been recognised as revenue in 2019-20.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 36: Financial Instruments and Risk Management

### A. Categories of Financial Instruments

#### I. Financial Assets

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Measured at fair value through profit or loss (FVTPL)</b>		
- Investments in mutual funds	30,560.50	23,199.88
- Investment in Government Securities	53.30	53.96
<b>Total</b>	<b>30,613.80</b>	<b>23,253.84</b>
<b>Particulars</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
<b>Measured at amortised cost</b>		
- Trade receivables	3,203.07	2,696.96
- Cash and Cash Equivalents	2,322.14	486.11
- Bank balances other than cash and cash equivalents	2,723.77	3,864.24
- Loans	1,333.32	1,324.34
- Others	598.40	37.04
<b>Total</b>	<b>10,180.70</b>	<b>8,408.69</b>

#### II. Financial Liabilities

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Measured at amortised cost</b>		
- Trade payables	3,598.01	3,593.71
- Lease liabilities	10,189.65	-
- others	0.47	-
<b>Total</b>	<b>13,788.13</b>	<b>3,593.71</b>

### B. Fair Value Measurement:

The following table shows the carrying amounts and the fair values of financial assets and liabilities, including their levels in the fair value hierarchy.

Particulars	Carrying Amount (In Rs. Lakhs)	Fair Value (In Rs. Lakhs)			
	Financial assets - At FVTPL	Level 1	Level 2	Level 3	Total
<b>31-Mar-20</b>					
<b><u>Financial assets measured at fair value:</u></b>					
- Investments in mutual funds	30,560.50	30,560.50	-	-	30,560.50
- Investment in Government Securities	53.30	53.30	-	-	53.30
	<b>30,613.80</b>	<b>30,613.80</b>	-	-	<b>30,613.80</b>
<b>31-Mar-19</b>					
<b><u>Financial assets measured at fair value:</u></b>					
- Investments in mutual funds	23,199.88	23,199.88	-	-	23,199.88
- Investment in Government Securities	53.96	53.96	-	-	53.96
	<b>23,253.84</b>	<b>23,253.84</b>	-	-	<b>23,253.84</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note

- A) Fair value hierarchy used for Investments in Mutual Funds and Government Securities - Level 1. Valuation techniques and key inputs - Quoted Net Asset Value/ Prices in active market.
- B) The Group has not disclosed the fair values for financial assets such as trade receivables, cash and cash equivalents, other bank balances, loans etc, because their carrying amounts are a reasonable approximation of fair value.
- C) The Group has not disclosed the fair values for financial liabilities such as trade payables and lease liabilities because their carrying amounts are a reasonable approximation of fair value.

There are no transfers between Level 2 and Level 3 during the period.

## C. Financial risk management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk. Risk management policies have been established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Group's Audit Committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes review of risk management controls and procedures and the results of the same are reported to the Audit Committee.

### I. Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risk.

#### a) Loans

This consists of security deposits and advances given to employees. Security deposits are rental deposits given to lessors and the Group does not expect any losses from non-performance by the counter parties. The Group also does not expect any losses on the employee advances since they are given only to permanent employees of the Group.

#### b) Trade Receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit losses for trade receivables and an impairment analysis is performed at each reporting date.

The management has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard payment and delivery terms and conditions are offered. The average credit period provided to customers ranges from 0 to 30 days. The Group review includes external ratings, customer's credit worthiness, if they are available, and in some cases, bank references.

The Group's customer base comprises of various mutual fund houses and corporates having sound financial condition and none of these balances are credit impaired. An impairment analysis is performed at each reporting date for invoice wise receivables balances.

#### c) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that the cash and cash equivalents have low credit risk based on the external credit rating of the counterparties.

#### d) Investments in mutual funds

The credit risk for investments in mutual funds is considered as negligible as the counterparties are reputable mutual fund agencies with high external credit ratings.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Financial assets for which loss allowance is measured using lifetime expected credit losses:

Particulars	As at 31st March 2020	As at 31st March 2019
Trade receivables	3,203.07	2,696.96

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	2019-20	2018-19
Opening Balance as at 01st April	187.40	180.05
Net remeasurement of loss allowance	44.70	7.35
<b>Closing balance as at 31st March</b>	<b>142.70</b>	<b>187.40</b>

## II. Liquidity Risk:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

### Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. All amounts are gross and undiscounted.

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 - 3 years	More than 3 years
<b>31-Mar-20</b>					
<b>Financial liabilities:</b>					
- Trade Payables	3,598.01	3,598.01	3,598.01	-	-
- Lease Liabilities	10,189.65	10,189.65	2,590.81	4,415.66	3,183.18
- Others	0.47	0.47	0.47	-	-
	<b>13,788.13</b>	<b>13,788.13</b>	<b>6,189.29</b>	<b>4,415.66</b>	<b>3,183.18</b>
<b>31-Mar-19</b>					
<b>Financial liabilities:</b>					
- Trade Payables	3,593.71	3,593.71	3,593.71	-	-
- Lease Liabilities	-	-	-	-	-
- Others	-	-	-	-	-
	<b>3,593.71</b>	<b>3,593.71</b>	<b>3,593.71</b>	<b>-</b>	<b>-</b>

The following are the remaining contractual cash flows for financial assets at the reporting date. All amounts are gross and undiscounted.

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 - 3 years	More than 3 years
<b>31-Mar-20</b>					
<b>Financial assets:</b>					
- Trade receivables	3,203.07	3,203.07	3,203.07	-	-
- Cash and cash equivalents	2,322.14	2,322.14	2,322.14	-	-
- Bank balances other than cash and cash equivalents	2,723.77	2,723.77	2,723.77	-	-
- Loans	1,333.32	1,333.32	57.40	286.42	989.50
- Others	598.40	598.40	598.40	-	-
	<b>10,180.70</b>	<b>10,180.70</b>	<b>8,904.78</b>	<b>286.42</b>	<b>989.50</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 - 3 years	More than 3 years
<b>31-Mar-19</b>					
<b>Financial assets:</b>					
- Trade receivables	2,696.96	2,696.96	2,696.96	-	-
- Cash and cash equivalents	486.11	486.11	486.11	-	-
- Bank balances other than cash and cash equivalents	3,864.24	3,864.24	3,864.24	-	-
- Loans	1,324.34	1,324.34	66.88	10.80	1,246.66
- Others	37.04	37.04	37.04	-	-
	<b>8,408.69</b>	<b>8,408.69</b>	<b>7,151.23</b>	<b>10.80</b>	<b>1,246.66</b>

### III. Market Risk:

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates - will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Currency Risk:

The functional currency of the Group is INR. The Group has transactions in foreign currency for software development income and software license purchases, which are denominated in Euro/USD. The Group has not entered into any hedges for currency risk. The Group's foreign currency exposure is limited and is not material to the size of its operations.

The summary quantitative data about the Group's exposure to currency risk is as follows:

Particulars	INR	USD	Euro
<b>31-Mar-20</b>			
Trade Receivables	40.55	0.55	-
Net exposure in respect of recognised assets and liabilities	40.55	0.55	-
<b>31-Mar-19</b>			
Trade Receivables	76.40	0.14	0.85
Net exposure in respect of recognised assets and liabilities	76.40	0.14	0.85

#### Sensitivity analysis

A reasonably possible strengthening/weakening of EUR/USD against INR would have affected the measurement of financial instruments denominated in foreign currency and affected equity and Statement of Profit or Loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Statement of Profit or Loss		Equity, net of tax	
	Increase	Decrease	Increase	Decrease
<b>31-Mar-20</b>				
USD (5% movement)	2.03	-2.03	0.49	-0.49
EUR (5% movement)	-	-	-	-
<b>31-Mar-19</b>				
USD (5% movement)	0.50	-0.50	-1.90	1.90
EUR (5% movement)	3.32	-3.32	-18.34	18.34

The Group has no exposure to other market risks such as interest rate risk and equity price risk.



# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 37: Share-based payments

### A. Description of share-based payment arrangements:

#### Share option plans (equity settled):

On 01st April 2019, the Group established a share option scheme that entitles senior management employees of the Group to purchase shares in the Parent Company. The subsidiaries do not have the obligation to provide its employees with the equity instruments of the Parent Company and there are no intra-group repayment arrangements. The key terms of the grant are presented below.

Particulars	CXOs	Others
Total number of options granted	1,36,651	99,935
Date of grant	01st April 2019	01st April 2019
Vesting period	10% of options at the end of year 1; 10% of options at the end of year 2; 40% of options at the year 3; and 40% of options at the year 4.	25% of options at the end of year 1; 25% of options at the end of year 2; 25% of options at the end of year 3; and 25% of options at the end of year 4.
Exercise price per share (in Rs)	614.70	614.70
Exercise period	4 years from the grant date	4 years from the grant date
Market price per share immediately prior to grant date (in Rs)	717.80	717.80
Intrinsic value per share (in Rs)	103.10	103.10

The number of options granted to the employees of the Group is as follows:

Particulars	CXOs	Others
Computer Age Management Services Limited	1,36,651	67,228
CAMS Insurance Repository Services Limited	-	10,672
Sterling Software Private Limited	-	22,035
<b>Total</b>	<b>1,36,651</b>	<b>99,935</b>

### B. Measurement of fair values

The fair values of the options issued have been arrived at using the Black Scholes Model.

The key inputs used in measurement of fair values at the grant date of share options are as follows:

Particulars	CXOs	Others
Fair value per share of the option (in Rs)	355.01	338.40
Share price at grant date	717.80	717.80
Exercise price	614.70	614.70
Expected volatility	47.90%	47.70%
Expected life of the option	5.1 years	4.5 years
Dividend yield	1.80%	1.80%
Risk free interest rate per annum	7.50%	7.30%

Expected volatility and term of the options are based on an evaluation of the historical prices at which the Parent Company's shares were acquired by its investors. The expected term of the instruments is based on general option holder behaviour.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## C. Reconciliation of outstanding share options:

The number and weighted average exercise prices of share options are as follows:

Particulars	31-Mar-20		31-Mar-19	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at 01st April		-	-	-
Granted during the period*		2,36,586	-	-
Exercised during the period		-	-	-
Outstanding at 31st March		-	-	-
<b>Exercisable at 31st March</b>		2,36,586		-

\*Excludes options which are granted and lapsed during the year.

## D. Expenses recognised in Statement of Profit or Loss:

For details on the employee benefit expenses, please refer Note 22.

## Note 38: Segment Reporting

### A. Basis of segmentation:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are regularly reviewed by the Board of Directors.

The Group has 2 reportable segments, as described below, which are the Group's strategic business units. For each of these segments, the Board reviews internal management reports atleast on a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
RTA Services/ Others	Share transfer services including data processing, customer care; insurance repository services; KYC and other miscellaneous services
Software	Software license, development and support services

### B. Information about reportable segments:

Information regarding the results of each reportable segment is included below. Performance of each segment is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Board. Management believes that such information is the most relevant in evaluating the results of the segments. Inter-segment pricing is determined on an arm's length basis.

Particulars	For the year ended 31st March 2020			For the year ended 31st March 2019		
	RTA Services/ Others	Software	Total	RTA Services/ Others	Software	Total
<u>Segment Revenue:</u>						
- External Revenue	69,095.66	867.33	69,962.99	68,234.15	1,130.24	69,364.39
- Inter-segment Revenue	139.03	5,166.88	5,305.91	163.56	5,195.03	5,358.59
<b>Total Segment Revenue</b>	<b>69,234.70</b>	<b>6,034.21</b>	<b>75,268.90</b>	<b>68,397.71</b>	<b>6,325.27</b>	<b>74,722.98</b>
<b>Segment profit/(loss) before tax</b>	<b>20,870.59</b>	<b>1,716.52</b>	<b>22,587.11</b>	<b>16,672.82</b>	<b>2,246.66</b>	<b>18,919.48</b>
<u>Segment profit/(loss) before tax includes:</u>						
Interest revenue	156.77	13.34	170.11	113.32	0.58	113.90
Interest expense	909.43	86.00	995.43	27.80	0.01	27.81
Depreciation and amortisation	4,772.62	352.46	5,125.08	2,766.90	77.20	2,844.10

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Particulars	For the year ended 31st March 2020			For the year ended 31st March 2019		
	RTA Services/ Others	Software	Total	RTA Services/ Others	Software	Total
<b>Segment Assets:</b>	32,926.13	2,113.73	35,039.86	24,702.74	1,273.69	25,976.43
<u>Segment assets include:</u>						
Capital expenditure during the year	12,639.44	1,140.09	13,779.53	3,456.02	52.12	3,508.14
<b>Segment Liabilities:</b>	24,603.59	1,546.73	26,150.32	18,101.31	639.33	18,740.64

## C. Reconciliations of information on reportable segments to Ind AS measures:

### I. Revenues:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Total revenue for reportable segments	75,268.90	74,722.98
Elimination of inter-segment revenue	-5,305.91	-5,358.59
<b>Consolidated revenue</b>	<b>69,962.99</b>	<b>69,364.39</b>

### II. Profit before Tax:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Total profit before tax for reportable segments	22,587.11	18,919.48
Unallocated amounts	2,096.71	1,806.32
<b>Consolidated profit before tax</b>	<b>24,683.82</b>	<b>20,725.80</b>

### III. Assets:

Particulars	As at 31st March 2020	As at 31st March 2019
Total assets for reportable segments	35,039.86	25,976.43
Unallocated amounts	45,996.11	38,084.42
<b>Consolidated total assets</b>	<b>81,035.97</b>	<b>63,920.44</b>

### IV. Liabilities:

Particulars	As at 31st March 2020	As at 31st March 2019
Total liabilities for reportable segments	26,150.32	18,740.64
Unallocated amounts	-	190.82
<b>Consolidated total liabilities</b>	<b>26,150.32</b>	<b>18,745.67</b>

## D. Geographic information

The Group has a subsidiary Sterling Software (Deutschland) GmbH, which provides software services and operates in Germany.

The geographical information of the Group's revenue and non-current assets are given below.

### i) Revenues:

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
India	69,669.26	69,067.18
<u>Other countries:</u>		
Germany	293.74	297.21
<b>Total</b>	<b>69,962.99</b>	<b>69,364.39</b>

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## ii) Non - Current Assets:

Particulars	As at 31st March 2020	As at 31st March 2019
India	32,790.54	25,659.35
<u>Other countries:</u>		
Germany	5.19	3.55
<b>Total</b>	<b>32,795.73</b>	<b>25,662.90</b>

## D. Major Customers

Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Revenue contributed by top 10 customers - [A]	60,586.25	60,407.97
Group revenue - [B]	69,962.99	69,364.39
Revenue contributed by top 10 customers as a percentage of Group revenue[A / B]	86.60%	87.09%

## Note 39: Remuneration to auditors

(Rs in Lakhs, unless otherwise stated)

Particulars	2019-20	2018-19
Statutory Audit Fee	22.05	21.80
Tax Audit Fee	5.75	5.75
Cerification Fee	9.68	0.18
<b>Total</b>	<b>37.48</b>	<b>27.73</b>

## Note 40: Provision, contingent liabilities and contingent assets

### I. Provision for claims

Particulars	2019-20	2018-19
Opening Balance as at 1 April	6,734.54	5,363.69
Provision made during the year	130.96	1,370.85
<b>Closing balance as at 31 March</b>	<b>6,865.50</b>	<b>6,734.54</b>

### II. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31st March 2020	As at 31st March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.48	10.21
Income Tax matters	1,589.42	363.25
On account of processing errors	129.00	-
Others	17.80	18.19
<b>Total</b>	<b>1,736.70</b>	<b>391.65</b>

### Sabka Viswas Legacy Disputes Resolution Scheme (SVDLR)

The Company has availed Sabka Viswas Legacy Disputes Resolution Scheme (SVDLR) in respect of disputed tax cases under Service tax. Consequently the Company has written back an amount of Rs 80.70 lacs which was provided under tax, interest and penalty.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Note 41: Covid related impact on our business

Covid-19 pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe. The Government of India announced a countrywide lockdown which still continues across large parts of the country with some variations. In this nation-wide lock-down, though most services across the nation have been suspended, some establishments like securities market intermediaries including our Company are exempt from the lock-down and therefore functional to the extent required for core delivery to its clients. Some of the non-mutual fund businesses have been impacted significantly during the lock-in period. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

The Company has assessed the impact of the pandemic on its operations, liquidity and its assets including the value of its investments and trade receivables as at 31st March 2020. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the assets it services and volume of transaction it handles, changes in market conditions may have an impact on the operations of the Company. Since the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor material changes in markets and future economic conditions.

## Note 42: Impairment of investment in subsidiary (Ind AS 105)

On 05th September 2019, the Company's Board being Ultimate Holding Company of Sterling Software (Deutschland) GmbH (Wholly owned subsidiary of Sterling Software Private Limited) proposed to wind down the operations in Germany. As on 31st March 2020, the wind down plan for closure of operations and sale of the subsidiary was not finalised.

Accordingly, the Holding Company (i.e. Sterling Software Private Limited) has fully provided for the impairment of its investment in the subsidiary as on 31st March 2020 and the corresponding impairment loss has been presented in Statement of Profit or Loss of the Holding Company as exceptional item. Details are presented below.

Particulars	Amount
Carrying amount as at 31st March 2020 (before impairment)	531.64
Impairment provision	-531.64
<b>Net carrying amount as at 31st March 2020</b>	<b>-</b>

However, the effect of the above will not have impact on consolidated financials as the aforesaid impairment provision has been reversed as a part of consolidated adjustments.

## Note 43:

The Company has become a Public Limited company wef. 27th September 2019. It is in the process of getting listed and has filed a Draft Red Herring Prospectus on 09th January 2020.

## Note 44:

The Company has acquired 21% stake in CAMS Insurance Repository Services Limited on 31st May 2019 consequent to which it has become a 100% subsidiary wef. 01st June 2019.

## Note 45:

The Taxation Laws (Amendment) Ordinance, 2019 was promulgated on 20th September 2019. The Ordinance amends the Income Tax Act, 1961, and the Finance (No. 2) Act, 2019. The Ordinance provides domestic companies with an option to opt for lower tax rates, provided they do not claim certain deductions. Companies can choose to opt for the new tax rate (i.e. 22%) starting the financial year 2019-20 (i.e. assessment year 2020-21). Once a company has exercised this option, the chosen provision will apply for all the subsequent years. The Ordinance specifies that MAT will not apply to the domestic companies opting to pay tax at the new rates.

Accordingly, the Group (including MAT paying companies) has adopted new tax rate from Q2 FY20. Based on CBDT Circular 29/2019 dated 02nd October 2019, MAT paying companies of the Group have written off Rs 342 lakhs of MAT credit as at 31st March 2019 as the Circular restricts carry forward and utilisation of MAT if new tax rate is adopted.

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

Tax reconciliation is provided below:

Particulars	Rate
Tax at Statutory Rate	25.5%
Expenses Not deductible	0.7%
Exempt / Non Taxable Income	-1.0%
Income Taxable at lower rate	-0.4%
Timing Difference Items	1.9%
Others (incl. Tax Incentives and provision for disputed taxes)	-0.2%
Deferred Tax Assets (incl. wind down impact)	3.4%
Additional provision for disputed taxes	
<b>Total Taxable Income</b>	<b>29.9%</b>

## Note 46:

Based on the current assessment of the long-term contracts in the ordinary course of business, the Company has made adequate provision for losses wherever required. The Company has not entered into any derivative contracts during the year.

## Note 47:

The Board of Directors has reviewed the realisable value of all current assets of the Company and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements.

## Note 48:

The pending litigations as on 31st March 2020 have been compiled by the company and reviewed by the Statutory Auditors. The current position of the litigations has been evaluated and the effect thereof has been disclosed in the financial statements.

## Note 49:

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

## Note 50:

All figures reported in the financials statements and related notes are rounded off to nearest lakh.

In terms of our report attached.

### For Brahmayya & Co

Chartered Accountants  
Registration No : 000511S

### P. Babu

Partner  
Membership No : 203358

### For and on behalf of the Board of Directors

### Natarajan Srinivasan

Director  
DIN NO : 00123338

### M. Somasundaram

Chief Financial Officer

### Narendra Ostawal

Director  
DIN NO : 06530414

### G.Manikandan

Company Secretary

### Anuj Kumar

CEO & Director  
DIN NO : 08268864

Place: Chennai

Date: 16th June 2020

# Notes forming part of the Consolidated Ind AS Financial Statements

for the year ended 31st March 2020

## Additional Information to the Financial Statements as per Schedule III

For the Year ended 31st March 2020

S. no	Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	In Rs. Lakhs	As % of Consolidated Profit	In Rs. Lakhs	As % of Consolidated Other Comprehensive Income	In Rs. Lakhs	As % of Consolidated Total Comprehensive Income	In Rs. Lakhs
	<b>Parent</b>								
1	Computer Age Management Services Limited	89.11%	48,908.62	95.49%	16,407.32	60.58%	-61.46	95.70%	16,345.86
	<b>Indian subsidiaries</b>								
2	CAMS Investor Services Pvt Ltd	7.82%	4,291.15	1.89%	324.97	-1.42%	1.44	1.91%	326.41
3	CAMS Financial Information Services Pvt Ltd	0.52%	284.30	0.07%	12.89	0.00%	-	0.08%	12.89
4	Sterling Software Pvt Ltd	7.57%	4,157.19	5.62%	966.17	31.10%	-31.55	5.47%	934.62
5	CAMS Insurance Repository Services Ltd	7.09%	3,889.40	-0.31%	-52.87	7.38%	-7.49	-0.35%	-60.36
	<b>Foreign subsidiary</b>								
6	Sterling Software(Deutschland) GmbH	0.01%	5.04	-1.04%	-177.98	2.06%	-2.09	-1.05%	-180.07
7	<b>Non-Controlling Interests</b>	0.00%	-	-0.04%	-7.27	0.30%	-0.30	-0.04%	-7.57
8	<b>Consolidation adjustments</b>	-12.12%	-6,650.06	-1.70%	-291.29	0.00%	-	-1.71%	-291.29
	<b>Total (Balances attributable to equity share holders)</b>	<b>100.00%</b>	<b>54,885.64</b>	<b>100%</b>	<b>17,181.95</b>	<b>100%</b>	<b>-101.46</b>	<b>100.00%</b>	<b>17,080.49</b>

For the Year ended 31st March 2019

S.no	Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	In Rs. Lakhs	As % of Consolidated Profit	In Rs. Lakhs	As % of Consolidated Other Comprehensive Income	In Rs. Lakhs	As % of Consolidated Total Comprehensive Income	In Rs. Lakhs
	<b>Parent entity</b>								
1	Computer Age Management Services Limited (Formerly known as Computer Age Management Services Private Limited)	86.81%	39,216.25	83.27%	11,212.89	106%	-63.24	83.17%	11,149.65
	<b>Indian subsidiaries</b>								
2	CAMS Investor Services Pvt Ltd	9.15%	4,132.15	3.45%	464.75	-0.07%	0.04	3.47%	464.79
3	CAMS Financial Information Services Pvt Ltd	0.60%	271.41	0.10%	13.44	0.00%	-	0.10%	13.44
4	Sterling Software Pvt Ltd	8.63%	3,900.62	12.70%	1,710.28	-0.89%	0.53	12.76%	1,710.81
5	CAMS Insurance Repository Services Ltd	8.74%	3,949.76	1.87%	251.27	-12.06%	7.22	1.93%	258.49
	<b>Foreign subsidiary</b>								
6	Sterling Software(Deutschland) GmbH	-0.06%	-28.80	-1.00%	-134.90	4.87%	-2.92	-1.03%	-137.82
7	<b>Non-Controlling Interests</b>	-1.84%	-829.45	-0.39%	-52.77	2.53%	-1.52	-0.40%	-54.28
8	<b>Consolidated adjustments</b>	-12.04%	-5,437.17	0%	-	0.00%	-	0%	-
	<b>Total (Balances attributable to equity share holders)</b>	<b>100.00%</b>	<b>45,174.77</b>	<b>100.00%</b>	<b>13,464.96</b>	<b>100.00%</b>	<b>-59.88</b>	<b>100.00%</b>	<b>13,405.08</b>

**FORM AOC-1**

Statement Containing salient features of the financial statement of subsidiaries

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Part "A": Subsidiaries

S. no	Name of the Entity	Relation-ship	Share Capital	Reserves and Surplus (Other equity)	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for tax (Total tax)	Profit after Taxation	Other Comprehensive Income (net of tax)	Total Comprehensive income	% of Shareholding
1	Computer Age Management Services Limited	Parent	4,876.00	44,032.62	72,355.18	23,446.56	39,696.28	68,096.60	22,526.91	6,119.59	16,407.32	-61.46	16,345.86	
2	CAMS Investor Services Pvt Ltd	Subsidiary	74.50	4,216.65	4,679.76	388.61	3,916.69	1,365.15	724.97	400.00	324.97	1.44	326.41	100%
3	CAMS Financial Information Services Pvt Ltd	Subsidiary	250.00	34.30	284.57	0.27	-	19.58	17.22	4.33	12.89	-	12.89	100%
4	Sterling Software Pvt Ltd	Subsidiary	50.95	4,106.24	5,582.33	1,425.14	3,226.12	6,013.71	1,362.86	396.69	966.17	-31.55	934.62	100%
5	CAMS Insurance Repository Services Ltd	Subsidiary	454.17	3,435.23	5,562.49	1,673.09	3,663.05	2,597.72	399.49	452.36	-52.87	-7.49	-60.36	100%
6	Sterling Software(Deutschland) GmbH	Subsidiary	531.64	-526.60	126.63	121.59	-	294.52	-177.98	-	-177.98	-2.09	-180.07	100%



[illegible]

[illegible]