ALLSEC TECHNOLOGIES LIMITED

A QUESS ENTERPRISE

Annual Report

2020 - 21

Corporate Information

ALLSEC TECHNOLOGIES LIMITED

Board of Directors

Mr. Ajit Isaac	Chairman & Non Executive Non Independent Director
Mr. Krishna Suraj Moraje	Non Executive Non Independent Director
Mr. N. Ravi Vishwanth	Non Executive Non Independent Director w.e.f. (01.04.2021)
Mr. Sanjay Anandaram	Non Executive Independent Director
Mr. Milind Chalisgaonkar	Non Executive Independent Director
Ms. Lakshmi Sarada R	Non Executive Independent Woman Director

Management Committee

Mr. Ashish Johri	Chief Executive Officer
Mr. Vaithiyanathan R	Senior Vice President - Operations
Mr. Mahadevan C	Senior Vice President - HRO
Mr. Raghunath P	Vice President - Finance & CFO

Sr. DGM-Legal & Company Secretary

Mr. Gagan Preet Singh

Auditors

Deloitte Haskins & Sells,
Chartered Accountants,
8th Floor, ASV N Ramana Towers,
52, Venkatnarayana Road,
T. Nagar, Chennai - 600017

Registered Office

46C, Velachery Main Road,
Velachery, Chennai - 600042

Corporate Office

46B, Velachery Main Road,
Velachery, Chennai 600 042.

Bankers

- Canara Bank
- HDFC Bank
- Kotak Mahindra Bank

Registrars & Transfer Agents

KFIN TECHNOLOGIES PRIVATE LIMITED,
Karvy Selenium Towers, No. - B,
Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad 500 032, Telangana.

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Financial Highlights
Standalone & Consolidated

(INR in Lakhs)

S. No.	Particulars	Year Ended March 31, 2021*	Year Ended March 31, 2020*	Year Ended March 31, 2019*	Year Ended March 31, 2018*	Year Ended March 31, 2017*	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
A	**Profit and Loss Account**										
	Revenue	18,865	20,133	15,317	12,878	11,621	10,836	9,747	10,674	10,747	12,471
	Profit Before Tax (PBT)^	2,128	1,818	2,015	2,478	2,037	1,245	(130)	543	(333)	(1,470)
	Profit After Tax (PAT)	1,597	945	951	2,899	2,254	948	(174)	543	(333)	(1,470)
B	**Balance Sheet**										
	Net fixed assets (Incl.ROUA) *	2,833	2,531	1,160	1,013	793	745	927	1,769	2,384	3,131
	Investments	5,991	4,359	10,473	10,857	10,328	6,724	5,282	6,178	3,532	3,118
	Other Assets (Net)	8,651	8,800	5,886	5,673	3,483	4,966	5,387	4,162	5,650	5,762
	Total Assets	**17,475**	**15,690**	**17,519**	**17,543**	**14,604**	**12,435**	**11,596**	**12,109**	**11,566**	**12,011**
	Equity Share Capital	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524
	Reserves & Surplus	14,105	12,537	15,950	15,954	13,055	10,876	9,928	10,497	9,954	10,287
	Net worth	**15,629**	**14,061**	**17,474**	**17,478**	**14,579**	**12,400**	**11,452**	**12,021**	**11,478**	**11,811**
	Other Financial Liabilities (Incl.Lease Liabilities) *	1,846	1,629	45	65	25	35	144	88	88	200
	Total Liabilities	**17,475**	**15,690**	**17,519**	**17,543**	**14,604**	**12,435**	**11,596**	**12,109**	**11,566**	**12,011**
C	**Earning Per Share (EPS) & Key Ratios**										
	Basic EPS (in INR)	10.48	6.20	6.24	19.02	14.79	6.22	(1.14)	3.57	(2.19)	(9.64)
	Diluted EPS (in INR)	10.48	6.20	6.24	19.02	14.27	6.22	(1.14)	3.47	(2.19)	(9.64)
	Book Value per share	102.55	92.26	114.66	114.69	95.66	81.36	75.14	78.88	75.33	77.5
	Return on Networth (RONW in %)	10%	7%	5%	17%	15%	8%	(2%)	5%	(3%)	(12%)
	Fixed Assets Turnover (No of times)	6.66	7.95	13.20	12.71	14.65	14.54	10.51	6.03	4.51	3.98

* Figures for year ended 31st March 2021, 31st March 2020, 31st March 2019, 31st March 2018 & 31st March 2017 are as per Ind AS whereas comparatives for previous years are based on earlier IGAAP.

^ Profit before taxation for year ended 31st March 2020 & 31st March 2019 includes one time investment impairment of INR 1,214 lakhs & INR 1,307 lakhs respectively.

* Net Fixed Assets includes Right Of Use Asset (ROUA) amounting to ₹1,711 Lakh and Other Financial Liabilities includes Lease Liabilities of ₹1,830 Lakh.

Previous Year/s figures are regrouped wherever necessary.

(INR in Lakhs)

S. No.	Particulars	Year Ended March 31, 2021*	Year Ended March 31, 2020*	Year Ended March 31, 2019*	Year Ended March 31, 2018*	Year Ended March 31, 2017*	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
A	**Profit and Loss Account**										
	Revenue	27,669	29,444	26,116	32,496	31,812	23,338	15,086	19,962	32,007	18,314
	Profit Before Interest & Taxation	4,615	5,946	2,932	6,392	6,447	3,586	(1,130)	(5,178)	2,417	(1,027)
	Profit Before Taxation (PBT)^	4,371	5,720	2,883	6,359	6,328	3,453	(1,233)	(5,363)	2,063	(1,049)
	Profit After Taxation (PAT)	3,512	4,493	1,567	5,953	6,172	3,094	(1,406)	(3,714)	884	(1,472)
B	**Balance Sheet**										
	Net Fixed Assets (Incl.ROUA)*	3,341	3,440	1,321	2,424	2,233	2,231	2,652	3,906	4,293	4,634
	Investments	4,971	3,339	8,239	7,316	6,139	1,911	175	1,072	888	510
	Other Assets (Net)	20,365	18,370	12,265	11,078	6,613	5,261	3,400	3,236	6,312	5,048
	Total Assets	**28,677**	**25,149**	**21,825**	**20,818**	**14,985**	**9,403**	**6,227**	**8,214**	**11,493**	**10,192**
	Equity Share Capital	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524	1,524
	Stock Options Outstanding	-	-	-	-	-	-	-	-	-	-
	Reserves & Surplus	24,988	21,283	20,256	19,229	13,436	7,623	4,621	6,430	8,620	8,391
	Net Worth	**26,512**	**22,807**	**21,780**	**20,753**	**14,960**	**9,147**	**6,145**	**7,954**	**10,144**	**9,915**
	Other Financial Liabilities (Incl.Lease liability)*	2,165	2,342	45	65	25	256	82	260	325	23
	Non-Controlling Interest (Minority Interest)	-	-	-	-	-	-	-	-	1,024	254
	Total Liabilities	28,677	25,149	21,825	20,818	14,985	9,403	6,227	8,214	11,493	10,192
C	**Earning Per Share (EPS) and Key Ratio**										
	Basic EPS (In INR)	23.05	29.48	10.28	39.07	40.50	20.30	(9.23)	16.40	1.28	(11.14)
	Diluted EPS (In INR)	23.05	29.48	10.28	39.07	40.50	20.30	(9.23)	16.40	1.24	(11.14)
	Book Value per Share	173.96	149.65	142.91	136.17	98.16	60.02	40.32	52.19	66.56	65.06
	Return on Networth (RONW in %)	13%	20%	7%	29%	41%	34%	(23%)	-47%	9%	-15%
	Fixed Assets Turnover (No of times)	8.28	8.56	19.77	13.41	14.25	10.46	5.69	5.11	7.46	3.95

* Figures for year ended 31st March 2021, 31st March 2020, 31st March 2019, 31st March 2018 & 31st March 2017 are as per Ind AS whereas comparatives for previous years are based on earlier IGAAP.

^ Profit before taxation for year ended 31st March 2019 includes one time goodwill impairment of INR 1,247 lakhs.

* Net Fixed Assets includes Right Of Use Asset (ROUA) amounting to ₹2,011 Lakh and Other Financial Liabilities includes Lease Liabilities of ₹2,164 Lakh.

Previous Year/s figures are regrouped wherever necessary

Directors' Report

The Directors take pleasure in presenting to you the 22nd Annual Report of the Company covering the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

Pursuant to the notification dated 16 February 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 with effect from 1 April 2017. The performance of the Company for the financial year 2020-21 is summarized below:

(₹ In Lakhs)

	STANDALONE			CONSOLIDATED		
	YEAR ENDED			YEAR ENDED		
	31-Mar-21	31-Mar-20	F/(A)*	31-Mar-21	31-Mar-20	F/(A)*
INCOME FROM SERVICES	18,865	20,133	(6%)	27,669	29,444	(6%)
TOTAL COSTS	15,189	16,017	5%	21,079	21,917	4%
OPERATING MARGIN	3,676	4,116	(11%)	6,590	7,527	(12%)
OTHER INCOME	381	545	(30%)	364	409	(11%)
EBIDTA	4,057	4,661	(13%)	6,954	7,936	(12%)
EBIDTA (%)	22%	23%		25%	27%	
DEPRECIATION	1,719	1,455	(18%)	2,339	1,990	(18%)
FINANCE COST	210	174	(21%)	244	226	(8%)
PROFIT/(LOSS) BEFORE TAX & EXCEPTIONAL ITEMS	2,128	3,032	(30%)	4,371	5,720	(24%)
EXCEPTIONAL ITEMS	-	1,214		-	-	
PROFIT/(LOSS) BEFORE TAX	2,128	1,818	17%	4,371	5,720	(24%)
PROFIT/(LOSS) AFTER TAX	1,597	945	69%	3,512	4,493	(22%)

*F / (A) stands for Favourable / Adverse

Business Outlook

The Company in India primarily operates two business segments namely the Human Resources Operations (HRO) business that caters to the payroll and other HR services we provide to our clients and the Digital Business Services (DBS) business which provides voice and non-voice services to domestic and international clients. Globally, the company has a DBS and HRO business in Manila and DBS business in the US.

The year gone by has been a challenging year with large parts of H1 being impacted by COVID-19 pandemic in India and Manila. The DBS domestic business was impacted with volume drops in Q1 FY21. HRO did not see major drop in existing revenue but new business additions in Q1 were slower than normal, with deals closure getting pushed to Q2 FY21 and beyond.

The DBS business has made inroads into augmenting its service lines in the Shared Services, Insurance BPaaS Services and Healthcare Denial Management. HRO shared services now includes providing end-to-end of HR, ER, Payroll and Statutory Support Services in a shared services model. Insurance BPaaS Services designed for the US market include Policy Administration, Customer Service, Agency Management, Claims Management and Premium Reporting & Analytics.

We continue to work on our technology initiatives to provide superior service to the customers. Few of the initiatives include API based access for Sale closure within client environment, rollout of Chat-bots Services, Cloud Based Legal Transcription Process. We have also beefed up our digital Marketing Initiatives to include Social Media Campaigns, PR Site Partnership, Paid Ads and Content based Marketing.

Domestic DBS witnessed drop in business during the first quarter of the year on account of the pandemic. However the business volumes were above pre-COVID-19 levels by end of Q4. The second wave of the pandemic has impacted the business in this segment in Q1 FY22 and this is an area the Company will monitor closely.

The DBS - International business had a muted year with volumes from our collection businesses largely flat year on year due to Collections moratorium in North America. Contracting decisions were delayed in North America due to the pandemic and volumes from collections were lower because of government cash schemes implemented in those countries during large part of the previous year. Towards the end of Q4 FY21, the Company had robust new logo wins and given that the North American market is back to normalcy, we believe this segment will grow during the current year.

Profit before Tax and Exceptional Items (PBTE) stood at INR 2,128 Lakhs as compared to INR 3,032 Lakhs in the previous year. Your Company has reported Net profit after tax for the current year at INR 1,597 Lakhs as compared to Net profit after tax of INR 945 lakhs for the previous year. Detailed analysis of the Standalone results forms part of the Management Discussion and Analysis (MD&A) report provided separately as part of the Annual Report.

Consolidated Revenue for the year stands at INR 27,669 lakhs as compared to INR 29,444 in the previous year. Consolidated Profit before Tax and Exceptional Items reduced to INR 4,371 lakhs from INR 5,720 lakhs in the previous year. Net profit after tax stood at INR 3,512 lakhs down from INR 4,493 lakhs in previous year.

The Company has delivery centers in India at Chennai, Bengaluru & NCR locations. In the international front Allsec has centers in Manila (Philippines) and Dallas (United States of America). There is no change in the nature of Company's business.

Dividend

The Board of Directors of your Company have paid an interim dividend of ₹ 15 per share for the financial year 2020-21. The Board does not recommend any final dividend for the year.

Deposits

Your Company has not accepted any deposit from the public during the period under review and did not have any outstanding deposits.

Directors

The Board of Directors of your Company consists of three (3) Non-Executive Non-Independent Directors and three (3) Non-Executive Independent Directors. All the Directors of your Company have rich background of highly productive leadership and management. The details of the members of the Board is given in the Corporate Governance section of the Annual Report.

Key Managerial Personnel

The Key Managerial Personnel of Allsec Technologies Limited upto the report date are mentioned below:

1. Mr. Ashish Johri - Chief Executive Director
2. Mr. Raghunath P – Chief Financial Officer
3. Mr. Gagan Preet Singh – Company Secretary

Employees

The information relating to employees to be given under Section 197(12) of the Companies Act, 2013 is given in **Annexure-F.**

Corporate Governance

Your Company is fully compliant with the requirements under SEBI (LODR) Regulations, 2015. The report on Corporate Governance as per Regulation 34(3) read with Schedule V of the listing Regulations is given in **Annexure A.**

Certificate from Practicing Company Secretaries confirming the compliance of conditions of Corporate Governance is included in **Annexure-B.** CEO / CFO certification is attached in **Annexure-H.**

In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis report is given in **Annexure-C.**

Subsidiary Companies

The Company has two subsidiaries as at year end namely Allsectech Inc., USA, and Allsectech Manila Inc., Philippines.

During the year the Company wound down its wholly owned subsidiary Retreat Capital Management.

The Consolidated Financial statements of the Company and its subsidiaries are prepared in accordance with Indian Accounting Standards and forms an integral part of this Annual Report.

The Annual Accounts of the said subsidiaries and the related detailed information will be made available to the investors of the Company seeking such information at any point of time. Performance and financial position of subsidiaries included in consolidated financial statements of the Company in format AOC-1 is provided in **Annexure-E.**

The Company monitors performance of subsidiary companies (list of subsidiary companies has been provided in the financial statements), inter-alia, by the following means:

a) The Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.

b) The Audit Committee reviews the financial statements, in particular, the investments made by the subsidiary companies on a quarterly basis.

c) Your Company has formulated a Policy on Material Subsidiary as required under SEBI (LODR) Regulations, 2015 and the policy is hosted on the website of the Company under the web link http://www.allsectech.com/Allsec/investor-information

Compliance under Companies Act, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company complied with the compliance requirements and the detail of compliances under Companies Act, 2013 are enumerated in this report.

Extract of Annual Return

An Extract of the Annual Return in form MGT-9 as of March 31, 2021, pursuant to the sub section (3) of Section 92 of the Companies Act 2013 and forming part of the report is placed in the Company's website under the web link http://www.allsectech.com/Allsec/investor-information

Board Meetings held during the year

During the year, 5 meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report which is attached as **Annexure-A** to this Report.

Committees of the Board

The Board of Directors have five committees of the Board namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholder Relationship Committee & Administration and Investment Committee. The Details of the composition and meetings are furnished in the Corporate Governance Report which is attached as **Annexure-A** to this report.

Directors' Responsibility Statement

The Board of Directors acknowledges the responsibility of ensuring compliance with the provisions of Section 134(3)(c) of the 2013 Act. To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements:

Your Directors confirm the following that:

a. In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts on a going concern basis;

e. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

f. Proper systems were in place so as to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

Independent Directors and Board Evaluation

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013, Regulation 25 of the SEBI LODR Regulations 2015.

Pursuant to section 134(3) of the Companies Act, 2013 & Rule (8) of the Companies (Accounts) Rules, 2014 and the Listing Regulations a structured Questionnaire was prepared considering the various aspects of board functioning and composition of Board committees and used to evaluate the performance of the Board. The Independent Directors considered / evaluated the performance of the Non-Independent Directors at a meeting without the Non-Independent Directors.

The Board members subsequently evaluated performance of the Board, the Committees and Independent Directors as per the criteria and questionnaire developed for the purpose and the Board of Directors expressed their satisfaction with the evaluation process.

Familiarisation Programme

Your Company follows an orientation and familiarization program through various reports / codes / internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy initiatives and risks involved. The details about the familiarization program have been posted in the website of the Company under the web link http://www.allsectech.com/Allsec/investor-information

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's policy on appointment and remuneration including criteria for determining qualifications, positive attributes, and independence are provided in the Corporate Governance Report forming part as an **Annexure-A** to this Report.

Related Party Transactions

The Company has formulated a policy on Related Party Transactions as approved by the Board and the same is uploaded on the Company's website http://www.allsectech.com/Allsec/investor-information

All the Related Party Transactions that were entered into by the Company during the financial year 2020-21 were on an arm's length basis and were in the ordinary course of business. Thus, the provisions of Section 188 of the Companies Act, 2013 and the Rules framed thereunder are not attached. All repetitive Related Party Transactions are placed before the Audit Committee are within the Omnibus Approval limits obtained in accordance with the requirements of the SEBI (LODR) Regulation 2015. The transactions entered into pursuant to such approval are placed periodically before the Audit Committee.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company otherwise than disclosed in the Corporate Governance Report, forming part of this report.

Vigil Mechanism / Whistle Blower Policy

In accordance with the requirements of the Companies Act 2013, your Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns. The said Policy meets the requirement of the Vigil Mechanism framework under the 2013 Act, and the members can view the details of the policy on http://www.allsectech.com/Allsec/investor-information. No member has been denied access to Vigil Mechanism and no complaints have been received during the year.

Corporate Social Responsibility

The Board of Directors of your Company has constituted the CSR Committee to help the Company to frame, monitor and execute the CSR activities.

As per Sec. 135 of the Companies Act 2013, the Board of every Company referred to in sub-section (1), shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years.

As per computations made under Section 198 of the Companies Act, 2013, the Company must contribute approximately INR 51.72 lakhs as CSR Contribution. During the financial year 2020-21, the CSR Committee of the Company had a meeting on March 16, 2021 which approved the contributions made and proposed to the tune of INR 51.72 Lakhs to promote various educational institutions identified and which falls under the categories prescribed in Schedule VII of the Companies Act 2013 under (ii) promoting education, including special education and employment enhancing vocational skills specially among children, women, elderly and the differently abled and livelihood enhancement project.

The report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed in **Annexure-G** and forms an integral part of this Report. The policy has been uploaded on the Company's website at the Link http://www.allsectech.com/Allsec/investor-information

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the financial statements forming an integral Part of the Annual Report.

Internal Financial Control and Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. The Internal Audit is entrusted to M/s. Ernst & Young LLP and the main scope of the Audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the Industry.

Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company were appointed on the 20th Annual General Meeting held on September 30, 2019 for a period of 5 years. The Company has received necessary certificates under Sections 139 and 141 of the 2013 Act, to the effect that they satisfy the conditions under the 2013 Act and the rules made thereunder for the above appointment. As required under the SEBI (LODR) Regulations 2015, the Statutory Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Comments on Auditors' report

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors and Company Secretary in Practice in their reports respectively. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2021 and May 26, 2021 (date of the Report)

There are no material changes and commitments affecting the financial position of the company which has happened between March 31, 2021 and May 26, 2021.

Reclassification of erstwhile Promoters from 'Promoter and Promoter Group' category to 'Public' category

During the financial year under review, Mr. Ramamoorthy Jagadish and Mr. Adiseshan Saravanan were reclassified from 'Promoter and Promoter Group' category to 'Public' category. The approval from the Stock Exchanges for the reclassification was received on August 25, 2020.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. A. Mohan Kumar & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is given as an **Annexure-D** and forms part of this Report.

Names of Companies which have ceased / become Subsidiaries / Joint Ventures / Associates

During the year, Retreat Capital Management Inc., USA ceased to be the wholly owned subsidiary of the company.

Quality & Information Security

The Company has a robust Quality Management and Information Security Management system in place to identify potential risks, areas for improvement and further to have smooth business operations. Periodic Management Review meetings are conducted to review these.

Latest version of QMS certification i.e. ISO 9001:2015 was renewed in Q4 of this year i.e. 2020-21. ISO 27001:2013 certification too was renewed in Q4. All annual renewals and scope expansion were completed successfully in Q4 of the year 2020-21.

Last year, we accomplished PCI DSS Compliance Certification for Bengaluru and Noida facilities for the first time in view of banking business that we have in these centers. Renewal for the long-existing PCI DSS compliance certifications for Chennai and Manila facilities is completed in Q4. In Q3, additionally, we got our Chennai facility certified for HIPAA in view of new healthcare business and future business focus on healthcare vertical. HIPAA is -Health Insurance Portability and Accountability Act, a certification needed in line with this US act for US health care business. Existing SSAE 18 / ISAE 3402 which is a graduated version of SAS 70 Type II certification for HRO business has been renewed.

General Data Protection Regulation (GDPR) is a regulation in EU law on data protection & privacy for all individuals within the European Union (EU). It also addresses the requirements to be fulfilled for export of personal data from EU to outside the EU. This act is applicable to all entities which can be located anywhere in the world and have to mandatorily deploy the GDPR framework and controls if they collect or process personally identifiable information (PII) of EU citizens or those residing in EU. We have an established GDPR framework last year. In this year, we continued strengthening the controls and our system in line with this regulation for the business lines it is applicable.

Disclosure as per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

The options granted under the scheme have lapsed.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Since your Company is in the Information Technology Enabled Services (ITES) business, the provisions relating to conservation of energy and technology absorptions are not applicable.

The details of the earnings and expenditure in foreign currency are given below:

Particulars	INR in Lakhs
Earnings in Foreign Currency	5,177
Expenditure in Foreign Currency	270

Environment, Health & Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. During the year the committee has not received any complaints.

Investor Services

Your Company will constantly endeavor to give the best possible services to the investors. Towards this end, the following are some of the initiatives taken by the Company:

The investor information section of the Website of the Company (www.allsectech.com), furnishes important financial details and other data of frequent reference by the investors as per the Regulation 46 of SEBI (LODR) Regulations, 2015. The Company also has a Stakeholders' Relationship Committee to address shareholders' grievances if any and resolve them as & when they are reported. The Company has provided an exclusive email id: investorcontact@allsectech.com for the investors to facilitate the redressal of the queries and complaints of the investors.

The Company has appointed M/s. KFin Technologies Pvt Ltd as Registrars & Share Transfer Agents for attending to issues relating to shares and routine services requests.

Shareholders can also address any unresolved issues or information requests by postal mail to - Company Secretary, Allsec Technologies Ltd, 46B, Velachery Main Road, Chennai 600042.

Shareholders are requested to update their email addresses with their respective depository participants so that the Company can provide better services at all times.

Acknowledgement

Your Directors wish to place on record their appreciation for the excellent support and co-operation given by customers, shareholders, service providers and Government Agencies.

Your Directors also record their appreciation and gratitude to Financial Institution and Bankers for their continued support and timely assistance in meeting the Company's resource requirements. Your Directors acknowledge the dedicated services rendered by all the employees of the Company.

For and on behalf of the Board of Directors
of Allsec Technologies Limited

	Sd/-	Sd/-
Place : Bengaluru	**Ajit Isaac**	**Krishna Suraj Moraje**
Date: May 26, 2021	Director	Director

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy:

The Company lays great importance on investor service, investor communication, highest level of transparency, accountability and responsibility in its operations and all interactions with its shareholders, investors, lenders, employees and Government. Your Directors are committed to adopt the best Corporate Governance practices.

2. Board of Directors:

The Board comprises of one Non-executive Director as Chairman, two Non-Executive Directors and three Independent Directors. The Directors are not related to each other and the Board is chaired by Non-executive Director, Mr. Ajit Isaac. Mr. Ajit Isaac is a representative of the Promoter Group.

The Board functions as a full Board or through Committees. The policy decisions and control vests with Board and the operational issues are handled by the Committees. Both the Board and Committees meet at regular intervals.

The Board has the following Committees namely Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, CSR Committee and Administration and Investment Committee.

During the year 2020-21, five meetings of the Board of Directors were held on May 18, 2020, June 18, 2020, July 21, 2020, October 22, 2020 and January 20, 2021.

Name	Designation	Category	Attendance		Other Board		Name & Category of Directors in Other Listed Entities
			Board Meeting	Last AGM	Director ships #	Committee Member ship $	
Mr. Ajit Isaac (00087168)	Chairman	Non-Independent Non-Executive	5	Yes	4	1	Quess Corp Limited (Non-Independent, Executive)
Mr. Subramanian Ramakrishnan (03522114) *	Director	Non-Independent Non-Executive	5	Yes	3	2	Nil
Mr. Krishna Suraj Moraje (08594844)	Director	Non-Independent Non-Executive	5	Yes	3	3	Quess Corp Limited (Non-Independent, Executive)
Mr. Milind Chalisgaonkar (00057579)	Director	Independent Non-Executive	5	Yes	3	1	Nil
Mr. Sanjay Anandaram (00579785)	Director	Independent Non-Executive	5	Yes	3	2	Quess Corp Limited (Independent, Non- Executive)
Ms. Lakshmi Sarada R. (07140433)	Director	Independent Non-Executive	5	Yes	3	1	Coromandel Agro Products & Oils Limited
Mr. N. Ravi Vishwanath (07332234) %	Additional Director	Non-Independent Non-Executive	NA	NA	4	2	Nil

Excluding Private Limited Companies, Foreign Companies, Section 8 Companies.
$ Includes membership in Audit Committee and Shareholders/Investor Relation committee only.
* Resigned w.e.f. March 31, 2021;
% Appointed w.e.f. April 1. 2021

The Board Skill Matrix

Name	Designation	Category	Area of Expertise
Mr. Ajit Isaac (00087168)	Chairman	Non-Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance
Mr. Milind Chalisgaonkar (00057579)	Director	Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, and • Technology-led transformation
Mr. Sanjay Anandaram (00579785)	Director	Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, and • Environment, Sustainability and Governance
Ms. Lakshmi Sarada R. (07140433)	Director	Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, and • Finance and risk management professional
Mr. Krishna Suraj Moraje (08594844)	Director	Non-Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance

Name	Designation	Category	Area of Expertise
Mr. N. Ravi Vishwanath (07332234)	Director	Non-Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, and • Finance and risk management professional
Mr. Subramanian Ramakrishnan (03522114)	Director	Non-Independent Non-Executive	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, and • Finance and risk management professional

The criteria for making payment of remuneration to the Non-executive Directors are as follows:

An amount of ₹ 20,000/- per meeting is being paid towards Sitting fee for attending meetings of the Board and the Committees to the Independent Directors. In the previous 21st Annual General Meeting, the members gave their approval for payment of Annual Commission to Independent Directors within the limits allowed under the Companies Act, 2013.

Code of Conduct for Directors and Senior Management

The Code of Conduct for the Directors and Senior Management of the Company is available on the Company's website: https://www.allsectech.com/investor-information/. All the Board members and the Senior Management Personnel have confirmed the Compliance with the Code. The policy decisions and control vests with Board and the operational issues are handled by the Committees. Web link where details of familiarisation programmes imparted to independent directors is disclosed https://www.allsectech.com/investor-information/. The Company has complied with, wherever applicable, the corporate governance requirements prescribed under Regulations 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations, 2015.

3. Audit Committee:

The Audit Committee presently consists of Independent and Non-Independent directors. The Committee currently comprises of Mr. Milind Chalisgaonkar, Chairman, Mr. N. Ravi Vishwanath, Mr. Sanjay Anandaram and Ms. Lakshmi Sarada R. The composition of the Audit Committee complies with the requirements of Regulation 18 of the SEBI (LODR) Regulations 2015. During the year, four Audit Committee meetings were held on May 18, 2020, July 21, 2020, October 22, 2020 and January 20, 2021.

The Terms of reference of Audit committee of your Company are in accordance with section 177 of the Companies Act, 2013 and Rules framed there under and as per Regulation 18 of the SEBI (LODR) 2015.

Name	Category	Position	Attendance
Milind Chalisgaonkar	Non-Executive Independent	Chairman	4
Subramanian Ramakrishnan *	Non-Executive Non-Independent	Member	4
Sanjay Anandaram	Non-Executive Independent	Member	4
Lakshmi Sarada R.	Non-Executive Independent	Member	4
N. Ravi Vishwanath^	Non-Executive Non-Independent	Member	NA

* Resigned w.e.f. March 31, 2021;

^ Appointed w.e.f. April 1, 2021

4. Nomination and Remuneration Committee:

The Nomination and Remuneration committee presently consists of Independent and Non-Independent directors. The Committee currently comprises Mr. Sanjay Anandaram as Chairman, Mr. Ajit Isaac, Mr. N. Ravi Vishwanath and Mr. Milind Chalisgaonkar. During the year, one meeting was held on June 18, 2020 which was attended to by all the members of the Committee.

The objective of the Committee is:

- To Formulate Remuneration Policy.
- Formulate criteria for evaluation of Directors and the Board and it is placed in our Company website https://www.allsectech.com/investor-information.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and those who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Grant of stock options under the Employees Stock Option Scheme and perform other functions of compensation committee as required/ recommended by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- Other functions of a Remuneration Committee as required / recommended in the SEBI (LODR) Regulations 2015.

The details of the remuneration paid to the Directors for the year ended 31st March 2021 is given below:

Executive Directors

There is no Executive Director on the Board of the Company.

Non-Executive Directors

(₹ In Lakhs)

Name of Director	Sitting Fees	Commission For FY 2020-2021
Ajit Isaac	-	-
Krishna Suraj Moraje	-	-
N. Ravi Vishwanath	-	-
Milind Chalisgaonkar	2.40	7.50
Sanjay Anandaram	2.40	5.00
Lakshmi Sarada R.	2.00	5.00

5. Stakeholders Relationship Committee:

The composition of the Stakeholders Relationship Committee complies with the requirements of Regulation 20 of SEBI (LODR) Regulations 2015.

The Stakeholder Relationship Committee presently consists of Mr. Ajit Isaac as Chairman, Mr. Sanjay Anandaram and Mr. N. Ravi Vishwanath. During the year, one Committee meeting was held on March 18, 2021.

This Committee deals with and approves the share transfers, transmission, etc., as required from time to time and all other matters relating to investor relations and grievances.

Mr. Gagan Preet Singh, DGM – Legal & Company Secretary is the compliance officer nominated for this purpose.

The details of investor complaints during the year 2020-21 are:

Complaints received	Resolved	Not solved to the satisfaction of shareholders	Pending
2	2	Nil	Nil

6. Independent Directors Meeting:

A Meeting of the Independent Directors was held on March 18, 2021 in accordance to the section 149(8) of the Companies Act, 2013 to review the performance of the Independent directors, Board as a whole including other Executive & Non-Executive Directors.

7. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of 3 Directors. Mr. Ajit Isaac, Mr. N. Ravi Vishwanath and Mr. Milind Chalisgaonkar. The Composition is in accordance with provisions of Section 135 of the Companies Act 2013. The Committee formulates and recommends to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified under the Companies act 2013.

During the year, as per the computations made under Section 198 of the Companies Act, 2013, the Company must contribute approximately INR 51.72 Lakhs as CSR Contribution. During the financial year 2020-21, the CSR committee had one meeting held on March 16, 2021 which approved the proposal to contribute INR 51.72 Lakhs to an educational institution which falls under the categories prescribed in Schedule VII of the Companies Act 2013 under clause (ii) promoting education, including special education and employment enhancing vocational skills specially among children, women, elderly and the differently abled and livelihood enhancement project.

8. General Body Meetings:

Location, time and date where last three Annual General Meetings were held are given below:

Financial Year	Date	Time	Venue
2017-18	August 09, 2018	10.00 A.M	Narada Gana Sabha, 314,TTK Salai, Alwarpet, Chennai 600 018
2018-19	September 30, 2019	3.00 P.M	Vani Mahal, Sri P. Obul Reddy Hall, 103, G. N. Chetty Road, T. Nagar, Chennai-600017
2019-20	September 30, 2020	4:30 P.M.	46C, Velachery Main Road, Velachery, Chennai-600042 (held through video conference)

I. Special Resolutions passed in the previous 3 Annual General Meetings

1. No Special Resolution was passed in the AGM held on September 30, 2020
2. The following Special Resolution was passed in the AGM held on September 30, 2019:
   i. Resolution for payment of remuneration and re-appointment of Mr. R. Jagadish, Whole time Director.
3. No Special Resolution was passed in the AGM held on 09th August 2018.

II. Postal Ballot

i. Ordinary Resolution through Postal ballot was passed on 24th June 2020. The scrutinizer for the Postal Ballot was Mr. A. Mohan Kumar, Practising Company Secretary.

Resolution	No. of Votes in favour (Shares)	No. of. Votes against (Shares)
To Approve reclassification of Mr. Ramamoorthy Jagadish and Mr. Adiseshan Saravanan from 'Promoter and Promoter Group' category to 'Public category'	11,670,486	539,588

9. Disclosures

During the Previous Financial Year, an amount of ₹1.35 lakhs was levied by the NSE on the Company for delayed appointment in the requisite number of directors during the financial year 2019-20. The company has paid the amount under protest. In addition, your company also strives to adhere and comply with discretionary requirements specified in Regulation 27 and Part-E of schedule II of SEBI Listing Regulations to the extent applicable to (i)Unmodified opinion (ii) reporting of Internal Auditor to the Board(iii) Separate Post of Chairman & CEO & (iv) Non-Executive Chairman.

10. Means of Communication:

- The Quarterly results are being published in one leading national (English) newspaper normally Financial Express or Business Line and in one vernacular newspaper (Malai Malar or Malai Murasu or Malai Sudar). The Quarterly results are also displayed on the Company's website- www.allsectech.com.
- The Company's website also displays Annual Report, shareholding pattern, code of conduct, News releases and other shareholders information.
- The Management Discussion and Analysis Report is also given as part of the Annual Report.

11. General Shareholders Information :

A. Annual General Meeting

Date and Time: Thursday, September 9, 2021 (4:30 p.m.)

Venue: Video Conference ("VC") / Other Audio Visual Means ("OAVM")

B. Financial Year

The Financial Year of the Company is 1st April – 31st March. The results for every quarter will be declared within the time period prescribed under the Listing Agreement.

C. Date of Book Closure

28th August 2021 to 8th September 2021 (Both days inclusive)

D. Listing on Stock Exchanges

The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited and hereby confirm that the Annual Listing fees for the year is duly paid.

E. Stock Code / Symbol

NSE – Scrip Code – ALLSEC / BSE – Scrip Code - 532633

F. Market Price Data – High / Low during each month in the last Financial Year & Performance in comparison to NSE/ BSE index etc.

Broad Based Market Comparison information details for the year 2020-21

Month	National Stock Exchange				Bombay Stock Exchange			
	Price		Indices		Price		Indices	
	High	Low	High	Low	High	Low	High	Low
Apr-20	182.85	114.95	3676.00	3128.25	146.35	115.50	2088.60	1738.34
May-20	180.95	153.10	3544.85	3345.45	179.95	153.65	2049.13	1943.94
Jun-20	222.80	178.05	4227.40	3600.10	228.00	176.45	2291.46	2062.58
Jul-20	224.00	176.30	4361.20	4058.75	226.45	176.00	2352.22	2215.37
Aug-20	310.00	186.20	5113.65	4325.95	310.00	185.90	2645.23	2337.67
Sep-20	280.05	226.55	5208.30	4722.30	278.95	223.25	2783.29	2503.15
Oct-20	297.00	241.25	5129.30	4900.60	299.00	240.05	2754.74	2639.90
Nov-20	255.00	225.10	5616.55	4906.25	254.40	227.05	3093.38	2674.27
Dec-20	314.50	236.00	6100.60	5455.20	314.45	236.00	3218.86	2958.93
Jan-21	310.50	246.60	6432.00	6094.50	309.95	241.65	3387.03	3153.97
Feb-21	390.00	272.00	6972.70	6105.25	411.35	271.60	3534.27	3150.51
Mar-21	357.95	285.50	7290.20	6682.20	359.95	289.00	3760.73	3492.44

G. Registrars and Transfer Agents

KFin Technologies Private Limited
Unit: Allsec
Karvy Selenium Tower No. B, Plot No. 31-32,
Gachibowli, Financial District
Nanakramguda, Hyderabad : 500 032
Tel : +91 040 67161591
E-mail: einward.ris@kfintech.com
Website: https://www.kfintech.com

H. Share Transfer System

KFin Technologies Private Limited is the Registrar and Share Transfer Agent of the Company. The shares lodged for physical transfer / transmission / transposition, if any, would be registered within the prescribed time limit, if the documents are complete in all respects. The shares in the dematerialized form are admitted for trading with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

I. Category wise distribution of equity shares as of March 31, 2021:

Consolidated Shareholding Pattern As on 31-03-2021			
Category	No. of Holders	Total Shares	% To Equity
Promoter Companies	2	1,11,82,912	73.39
Resident Individuals	5,803	31,79,294	20.86
Bodies Corporates	67	6,99,471	4.59
H U F	169	72,718	0.48
Non Resident Indians	69	62,137	0.41
Non Resident Indian Non Repatriable	41	34,304	0.22
Clearing Members	33	7,490	0.05
Total	**6,184**	**1,52,38,326**	**100.00**

Distribution Schedule - Consolidated As on 31st March, 2021

Category (Amount)	No. of Holders	% to Holders	Total Shares	Amount	% of Amount
1-5000	5,768	93.27	3,78,542	37,85,420	2.48
5001- 10000	174	2.81	1,37,857	13,78,570	0.90
10001- 20000	100	1.62	1,49,839	14,98,390	0.98
20001- 30000	32	0.52	80,253	8,02,530	0.53
30001- 40000	20	0.32	72,605	7,26,050	0.48
40001- 50000	10	0.16	47,920	4,79,200	0.31
50001- 100000	34	0.55	2,50,203	25,02,030	1.64
100001 & Above	46	0.74	1,41,21,107	14,12,11,070	92.67
Total	**6,184**	**100.00**	**1,52,38,326**	**15,23,83,260**	**100.00**

J. Outstanding GDRs / ADRs / warrants or any convertible instruments conversion date and likely impact on equity- Not applicable.

K. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities.

The company does not deal in the commodities and hence the disclosure is not required to be given.

L. Plant/Office locations

Allsec Technologies has its offices/ Service delivery centers in India at Chennai, Bengaluru and Noida. The details of our subsidiaries are as given below: -

The details of our subsidiaries are as given below: -

Name of the Subsidiary	% of Controlling Interest
Allsectech Inc. at USA	100%
Allsectech Manila Inc. at Philippines,	100%

M. Dematerialization of shares and liquidity

As on March 31, 2021 about 99.99% of the shares were held in dematerialized form.

N. Credit Ratings

During the financial year under review, the Company received credit ratings on its instruments which have been disclosed to the stock exchanges from time to time.

O. Address for Investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address (Share holders holding in physical form) or any other query relating to shares, please write to:

KFin Technologies Private Limited, Unit : Allsec
Karvy Selenium Tower No.B , Plot No.31-32,
Gachibowli , Financial District
Nanakramguda , Hyderabad : 500 032
Tel : +91 040 67161591
E-mail: einward.ris@kfintech.com
Website: https://www.kfintech.com

For General Correspondence:
Company Secretary
Allsec Technologies Limited,
46-B, Velachery Main Road,
Velachery, Chennai 600 042.
Tel.: +91 44 4299 7070 Fax: +91 44 2244 7077
E-mail : investorcontact@allsectech.com
Web site: www.allsectech.com

P. Website address for Company Policies

Web site: www.allsectech.com

OTHER DISCLOSURES

(a) disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large; - Not Applicable

(b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets during the last three years; Detailed Earlier.

(c) details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee; Integral Part of Directors Report.

(d) details of compliance with mandatory requirements and adoption of the non-mandatory requirements; All mandatory requirements of SEBI (LODR) Regulations 2015 have been complied with.

(e) web link where policy for determining 'material' subsidiaries is disclosed; www.allsectech.com

(f) web link where policy on dealing with related party transactions; www.allsectech.com

(g) disclosure of commodity price risks and commodity hedging activities. -NA

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable

(i) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. –The Company has obtained a certificate to this effect from M/s. A. Mohan Kumar & Associates a practicing company secretary, Chennai as mandated under Schedule V, Part C ,Clause 10(i) of SEBI (Listing Obligations and Disclosure requirements) Amendments Regulation, 2018.

(j) where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year : None.

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.] – Details in the financials.

(l) disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year – 0

b. number of complaints disposed of during the financial year -0

c. number of complaints pending as on end of the financial year-0

Non-compliance of any requirement of corporate governance of sub-paras (2) to (10) above, with reasons thereof: NA

DECLARATION

The Board of Directors of the Company has adopted the "Code of Conduct" for the Directors and Senior Management of the Company.

All the Board Members and the Senior Management Personnel have affirmed their Compliance with the Code for the year 2020-21.

Sd/-
Ajit Isaac
Chairman

Place : Bengaluru
Date: May 26, 2021

Practicing Company Secretary's Certificate on Corporate Governance

To the Members of Allsec Technologies Limited

I have examined the compliance of conditions of Corporate Governance by Allsec Technologies Limited (hereinafter referred to as 'the Company'), for the year ended March 31, 2021 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

For **Mohan Kumar & Associates**

Sd/-
A. Mohan Kumar
Practicing Company Secretary
Membership No.: FCS 4347
Certificate of Practice Number: 19145
UDIN: F004347C000371032

Place: Chennai
Date: May 26, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry trends affecting our business

The outbreak of COVID-19, which led to an economy wide lockdown, poses a challenge and has altered the outlook of the Indian economy in the short term. The Indian economy contracted by 7.3% in FY21 and while it was expected to bounce back strongly with double digit growth in FY22, the current second wave of the pandemic may have an impact on the timing of the recovery. As vaccine coverage increases during the course of the current year, we believe that return to normalcy will happen towards end of Q2 FY22.

In times of such crisis, Companies and employees have rallied and shown to be adaptable. 80% of the global IT/ ITES workforce transitioned to remote working within 3-4 weeks of mobility restrictions. Tech sector's unseen agility led to a glitch-free transition, and globally, work continued seamlessly.

While overall IT spend is estimated to decline in FY2021, momentum in digital spend has only strengthened through the course of COVID-19, led by demand for remote working solutions and enterprise-scale transformations being pulled forward several years ahead. Indian Tech industry's performance is an indication of resilience and readiness to take on the new virtual world.

At an estimated $194 billion, the sector is set to add $4 billion in revenues in FY2021. It is also expected to add 138,000 employees to reach a total direct employment of 4.47 million, and will contribute 52% to overall services exports. IT Services itself is nearing the $100 billion mark backed by a strong deals pipeline and strong digital tailwind. Domestic spend has kept momentum, estimated to grow by 3.4% in FY2021 to clock $45 billion, backed by sustained demand for robust, connected, and secure infrastructure. In fact, domestic demand is set to leapfrog exports growth in FY2021, by nearly 2X. At 28-30% of industry revenue, digital revenues are the true growth story, clocking 5X the rate of overall services growth.

The latter half, H2, of 2021 has witnessed strong recovery of the technology sector in India, and industry largely back to pre-COVID level growth, coupled with strong deal pipelines, and solid margins. Performance is backed by perception, as 67% of CEOs polled in a NASSCOM 2021 CEO Survey expect India's technology sector to grow significantly higher in 2021 as compared to 2020.

IT services: Global IT services spend fell ~4% in 2020 to $692 billion in 2020 as the demand across all sub-segments was adversely impacted due to the pandemic. The impact was also reflected on the global IT sourcing market that saw a slightly negative growth (-0.8%) to reach at $120-$122 billion. On the contrary, India's IT services revenue for FY2021 is expected to witness a 2.7% growth to reach $99 billion; IT services exports likely to cross $80 billion. This growth is being driven by an increased demand for digital transformation and infrastructure modernisation both across global and domestic markets. Acquisitions and partnerships continue to be key strategies for building digital and domain capabilities and expansion across markets & customers.

BPM: Global BPM spend dropped by - 2.4% in 2020 to $198 billion; while sourcing grew by 1.1% to $89-91 billion, a silver lining for the industry even as firms rapidly adapted to new business models to tackle the pandemic by expanding use of cloud & analytics, promoting hyper-automation and diversifying to new delivery centers. India's BPM industry is expected to report positive growth during FY2021 touching revenues of $38 billion. Exports estimated to grow at 2.3% to reach $34 billion, the domestic market is set to see a 2.1% growth over FY2020, driven by higher traction from healthcare and banking & financial services verticals. The industry is seeing a shift from pure services to platform solutions and new revenue streams. Focus continues to be on strengthening the core through transformation and innovation.

Software products & Start-ups: Global software products market has seen a 2.4% decline in spend to $465 billion in 2020. India's software product revenue to cross $9 billion in FY2021, a 2.7% growth. COVID-19 expedited digital transformation with collaboration software becoming more mainstream. Also areas like data analytics, cybersecurity and database management are seeing rise in demand. Growth is also being driven by increasing focus on work from home which lead to higher demand for Cybersecurity and Collaboration software, while migration towards cloud was expedited especially by banks. SaaS also continues the growth run, with companies building specific SME focussed products to help SMEs fast-track digitization.

Company Overview

Allsec is a global company with vast expertise in providing business process solutions across various industry verticals. The Company was incorporated in 1998 as a limited Company under the erstwhile Companies Act, 1956 and is listed on the National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE).

The Company has two wholly owned subsidiaries, Allsectech Inc., USA and Allsectech Manila Inc., Philippines as at 31st March 2021.

The Company operates two segments globally viz Human Resources Operation (HRO) covering HRMS, payroll services, time and attendance management, Labor law and Payroll Compliances: Digital Business Services (DBS) which encompasses lead generation, customer retention and relationship management comprising both voice and non-voice processes. The HRO services and DBS services are delivered from India and the subsidiary in Philippines. In India the DBS business supports both international (DBS International business) and domestic (DBS domestic business) customers and the HRO business supports both International and domestic customers.

The Company is a highly customer-centric, flexible and transparent service provider. The Company believes in enhancing its client's business experience by taking process responsibility, improving cost efficiencies and adding value through continuous process improvements and quality assurances.

The Financial Year 2020-21 will be remembered as a watershed year for many companies across the globe due to the COVID-19 pandemic. At Allsec we continued our focus on employees and customers to minimize disruptions, while rapidly upgrading our technology. The HRO business showcased its BCP capabilities by delivering more than 2.5 million payslips despite global lockdowns in Q1 FY 21, while the DBS business was able to quickly adopt newer technologies to enable voice and non-voice processes to move into work from home mode without compromising on information security controls.

Key Financial Ratios (on Standalone Financials)

Particulars	2020-21	2019-20	Change %
Debtors Turnover Ratio	5.6	6.0	(8)
Interest Coverage Ratio	11.1	18.4	(40)
Current Ratio	4.13	3.88	7
Debt Equity Ratio (%)	0.12	0.12	NIL
Operating Profit Margin (%)	10%	13%	(22)
Net Profit Margin (%)	8%	5%	82
Return on Net Worth (%)	10%	7%	43

Core Competency

Allsec has a 20 year legacy of servicing customers in both the DBS and HRO space. This has helped the Company to build a deep domain knowledge, putting in place processes for continuous training and ensuring robust customer service. Our Customers stand testimony to our track record of providing outstanding service. The Company takes pride on quality delivery, agile and customer centric approach while focussing on process improvements.

Our DBS business continues to provide value added services to our customers with features like omni-channel support, multiple languages support etc. We are a leading provider of outsourced solutions in customer engagement, sales & retention for businesses across BFSI, Telecom, Retail, Healthcare etc.

Allsec manages some of the complex payroll and tax scenarios for both global and domestic organisations across industries. Our payroll and HRMS solutions are flexible to meet the requirements of wide range of Companies. Our labour law and payroll compliance business has provided us with a complete skillset for the entire range of HRO.

Client Acquisition:

The Company has put in place a strong sales team in India, Manila and US and our sales pipeline has been consistently improving. We believe that we will be able to improve on our strong track record and have long term relationships with our domestic and international customers.

In DBS our focus continues to be in the North America market. With our best in class processes, deep domain knowledge and positive existing customer testimonials we believe that there will be a robust sales pipeline and closure.

The HRO business continues to expand despite the COVID-19 induced reduction in sales closures in Q1 FY21. Our sales team is in place across major cities in India and we have sales in presence in Manila as well. The twin engines for growth in this business will come from both domestic and international customers. We are also focussing on providing more end to end services to existing customers.

Quality

The Company has a robust Quality Management and Information Security Management system in place to identify potential risks, areas for improvement and further to have smooth business operations. Periodic Management Review meetings are conducted to review these.

Latest version of QMS certification i.e. ISO 9001:2015 was renewed in Q4 of this year i.e. 2020-21. ISO 27001:2013 certification too was renewed in Q4. All annual renewals and scope expansion were completed successfully in Q4 of the year 2020-21.

Last year, we accomplished PCI DSS Compliance Certification for Bengaluru and Noida facilities for the first time in view of banking business that we have in these centers. Renewal for the long-existing PCI DSS compliance certifications for Chennai and Manila facilities is completed in Q4. In Q3, additionally, we got our Chennai facility certified for HIPAA in view of new healthcare business and future business focus on healthcare vertical. HIPAA is - Health Insurance Portability and Accountability Act, a certification needed in line with this US act for US health care business. Existing SSAE 18 / ISAE 3402 which is a graduated version of SAS 70 Type II certification for HRO business has been renewed.

General Data Protection Regulation (GDPR) is a regulation in EU law on data protection & privacy for all individuals within the European Union (EU). It also addresses the requirements to be fulfilled for export of personal data from EU to outside the EU. This Act is applicable to all entities which can be located anywhere in the world and have to mandatorily deploy the GDPR framework and controls if they collect or process personally identifiable information (PII) of EU citizens or those residing in EU. We have established GDPR framework. In this year, we continued strengthening the controls and our system in line with this regulation for the business lines it is applicable.

Capacity

Today, Allsec has a pan India presence and a capacity of over 4500 seats with facilities in 3 locations which are in NCR, Bengaluru, and Chennai. Apart from India, we also have a capacity of 600 seats in Manila and around 80 seats in USA.

THREATS

Attrition

While attrition is an industry wide concern, the Company recognises the need to take proactive measures to ensure that we have an uninterrupted supply of right talent and have increased focus and rigor on retaining them through active engagement measures.

In order to maintain a seamless pipeline of talent, the Company has tied up with several skill development institutes. This ensures a steady supply of skilled talent with a good language mix, especially for the DBS business. Our recruitment team conducted virtual campus drives at various colleges across the country for both DBS & HRO hiring. Employee engagement during a period when most of the employees are working remote is an area that the Company has focused. Multiple virtual events were conducted on occasions to bring together the employees on a virtual platform. We also moved our entire training online and integrated with our HRM. This helped ensure employees did not miss key training events that would help them develop in their career.

RISKS AND CONCERNS

BUSINESS RISKS

The business risks involved in our industry are varied. The DBS International business is affected by the global slowdown and the COVID-19 Pandemic. Towards end of the year, the market in North America showed signs of returning to normalcy and we believe that this area will grow in the current year.

The DBS Domestic business was severely impacted due to the pandemic while the Company was able to rebound from this, the second wave of the pandemic may hit us as hard as the first and this is an area that the Company is closely monitoring.

HRO division has been growing organically for us and this will continue in the coming years too. The average realisation per payslip has remained at similar levels, however the Company believes that with higher competition the price may be under pressure in the coming years. We believe that our efforts in technology will help us in being a key differentiator in the market and our superior service delivery standard will strengthen existing client relationships.

FINANCIAL RISKS

GEOGRAPHICAL CONCENTRATION OF CLIENTS

Our Company has a global footprint and the revenues in the international segment are dependent on clients located predominantly in US. Our HRO International business also has been increasing the last year. As a strategy we continue to focus on increasing the share of our export revenues as the margins are better compared to Domestic business. As a result, the Company is exposed to various risks typically associated with doing business in various counties, many of which are beyond the control of the management.

PRESSURE ON MARGINS

Our margins can be impacted due to pressure on pricing owing to competition. The Company engages customers regularly briefing them on the value added support being provided. Since our processes, especially in the DBS segment are heavily dependent on manpower our margins may be impacted if there are increases in salaries on account of revision in minimum wages in any of our locations

EXCHANGE FLUCTUATION

Movements in exchange rates continue to be a major threat. There has been volatility in the exchange rate between INR and USD in the recent years and these currencies may continue to fluctuate significantly in future as well. During the year there have been significant volatility in the rupee with a low of INR 72.26 and a high of INR 76.40. We are currently adopting hedging strategies as approved by the Board and in addition use bank balances in foreign currency to meet our foreign currency liabilities. Also the increase in share of domestic revenue will mitigate this risk to an extent. Our results of operation will be affected if the rupee-dollar rates continue to behave in a volatile manner in future or rupee appreciates significantly against dollar and other currencies.

INDIAN TAXATION RISK

Taxes and other levies imposed by the Government of India and / or various states including Tamil Nadu may affect our performance. In particular, we will be affected by the taxes and laws levied by authorities such as a) Income Tax b) Goods and Services Tax etc. We are taking adequate efforts to comply with the entire statutory requirement on an ongoing basis and the same is subject to Internal Audit on a quarterly basis. We also take the help of external consultants to handle specific issues as and when need arises.

CUSTOMER CREDIT RISK

Company follows a process of due client qualification in respect of orders received and contracts signed. However, owing to business reasons or reasons specific to delivery /disputes there are collection risks which the company faces. With the impact of COVID-19 pandemic, the customer credit risk in the near term will be higher than past. There is a regular follow-up process to ensure that amounts due are billed in time and collections received in time. Periodic confirmation of balance is also obtained from major clients. Due provisions are made in accounts for amounts considered not collectible.

LEGAL AND CONTRACTUAL RISKS

Our business is subject to a variety of country specific regulations. Particularly, we must comply with a number of laws in the United States in relation to debt collection and telephone and email based solicitation and the mortgage servicing businesses.

The requirements of many of these regulations are complex and the failure to comply could result in enforcement or private actions which can potentially affect our reputation and in turn adversely affect our business. In addition, these laws are subject to change and new laws affecting our business may be enacted, which could significantly affect the demand for, and our ability to provide certain service offerings and significantly increase the cost of regulatory compliance. However, on an ongoing basis we have taken the following steps to mitigate this:

- We have complied on ongoing basis with all registrations/ renewals concerning telemarketing and collection licenses in USA. Our Legal /Secretarial Dept. have an internal monitoring mechanism as well as through attorneys /firms appointed in US for attending the same.
- We have complied with all relevant provisions governing call centre business in India such as DOT approval and adherence to Do Not call Registry norms.
- All Registrations as required under STPI /Customs /Labour laws and State laws are adequately monitored and complied with.
- There are no specific issues or non-compliance notified in any of these areas during the year.
- In respect of client and other commercial contracts such as lease and other purchase contracts, adequate measures are in place for vetting the contracts by Legal team and due vetting and clearance procedures are followed before signing of contracts.

INFRASTRUCTURE RISKS

The Company has invested substantially in the state of the art infrastructure and equipment in its centres to provide a world-class service to its customers. Service to our clients also depends on the uninterrupted functioning of these equipment, power and stability of telecom network. Any obsolescence in the infrastructure and equipment leading to incompatibility with client's systems or any disruption in the essential services may affect the business of the company. Adequate backups and redundancy measures are in place for uninterrupted functioning of IT and telecom equipment. AMC of all equipment is being monitored for timely renewals wherever needed. Insurance for fixed assets and all office locations is in force and is monitored for timely renewals and adequacy of risks covered under Office package policy.

HUMAN RESOURCES RISK

ITES (BPM) industry is a labour intensive industry and the Company's success depends on its ability to retain key employees. Historically high employee attrition has been a common feature and our Company has also experienced a very high level of attrition. There have been cases of companies losing BPO orders for not being able to demonstrate a competent team that can manage a large workforce. High level of attrition further complicates the problem. There is a gap between the supply and demand of work force. Further, the available man power is not immediately employable in terms of the skill sets required for the industry. Thus the shortage of supply in quality manpower both at the managerial level and at the agent's level may significantly affect the functioning of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a well-defined and documented internal control system that is adequate and commensurate with the size and nature of its business.

Adequate checks and balances and control systems are established to ensure that assets of the company are safeguarded and transactions are executed under proper authorization and are properly recorded in the books of account. There exists a proper definition of roles and responsibilities across the organization to ensure information flow and effective monitoring. The Company has an independent Internal Audit carried out periodically by a firm of Chartered Accountants who draw out their audit program based on risk assessments and in consultation with the Audit committee. The Company has an Audit Committee consisting of 4 Directors which has a majority of Independent Directors. This committee reviews the internal audit reports, statutory audit reports, the quarterly and/annual financial statements and discusses all significant audit observations and follow up actions arising from them. It further monitors the risk exposures of the company. The committee also reviews and recommends to the Board the terms of appointment of the statutory auditors and internal auditors.

The Companies Act provisions relating to Internal Financial controls (IFC) and Internal Financial control over Financial Reporting are applicable to your Company from the financial year ended March 31, 2016. Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the 2013 Act" or "the Act") requires the auditors' report to state whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls. Clause (e) of Sub-section 5 of Section 134 to the Act requires the directors' responsibility statement to state that the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. The auditor's objective in an audit of internal financial controls over financial reporting is to express an opinion on the effectiveness of the company's internal financial controls over financial reporting and the procedures in respect thereof are carried out along with an audit of the financial statements. Your Company has complied with these requirements.

MATERIAL DEVELOPMENTS ON HUMAN RESOURCE FRONT INCLUDING HEADCOUNT

As at 31st March 2021, total number of employees stood at 3,805. which is an increase of 433 from the previous year end figure of 3,372.

DISCUSSION ON FINANCIAL AND OPERATIONAL PERFORMANCE AND FINANCIAL POSITION (STANDALONE):

The following discussion is based on our audited standalone, Rupee denominated Financial Results pertaining to Financial Year ended 31st March, 2021. The financial statements of Allsec Technologies Limited ("the Company") are prepared in accordance with the Indian Accounting Standards (referred to as "Ind-AS") prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the Financial Statements. The discussion should be read in conjunction with the Audited Standalone Financial statements of the Company and notes on Accounts including significant Accounting Policies, thereto.

RESULTS OF OPERATIONS - PERFORMANCE SUMMARY

The following table gives an overview of the stand alone financial results of the company:

	2020-21		2019-20		% increase / (decrease) over previous year
	INR In Lakhs	% to Total revenue	INR In Lakhs	% to Total revenue	
Income					
Income - Operations	18,865	99	20,133	97	(6)
Income - Others	232	1	540	3	(57)
A) Income - Total	**19,091**		**20,673**		
Costs					
Employee benefit expenses	11,687	61	12,972	63	(10)
Other expenses	3,502	18	3,045	14	15
B) Costs - Total	**15,189**	**79**	**16,017**	**77**	**(5)**
C) Profit before interest, tax, depreciation and amortisation and exceptional item	**3,902**	**20**	**4,656**	**23**	**(16)**
Depreciation and amortisation	1,719	9	1,455	7	18
Finance costs	210	1	174	1	21
Interest Income	(149)	0	(5)	0	
D) Profit/ (Loss) before tax and exceptional item	**2,128**	**11**	**3,032**	**15**	**(30)**
Exceptional Item			1,214	6	
E) Profit/ (Loss) before tax	**2,128**	**11**	**1,818**	**9**	**17**
Tax	531	3	873	4	(39)
F) Profit/ (Loss) after tax	**1,597**	**8**	**945**	**5**	**69**

Earnings per share data (Basic / Diluted)

YE 31 March 2021	₹ 10.48 / 10.48
YE 31 March 2020	₹ 6.20 / 6.20

ANALYSIS OF PROFIT AND LOSS ACCOUNT

i. Income from Operations

The table below provides the details of segment wise income and its composition:

₹ In Lakhs

Revenue Segments	31-Mar-21	% of Total Revenue	% of Growth	31-Mar-20	% of Total Revenue
DBS – International	3,560	19	(3)	3,670	18
DBS – Domestic	5,970	32	(17)	7,199	36
HRO – Exports	1,617	8	(6)	1,718	9
HRO – Domestic	7,718	41	2	7,546	37
Total	**18,865**	**100**		**20,133**	**100**

The total revenue of the Company reduced by 6% compared to the previous year.

DBS International revenue largely remained flat, while the domestic business saw a significant de-growth especially in the first half of the year induced by the pandemic related volumes drop.

HRO has remained flat YoY with growth in the domestic business offset by drop in International business.

ii. Other Income

Other income decreased from INR 540 Lakh in the previous year to INR 226 Lakhs in the Current year mainly on account of Decrease in Gain (net) from current investments by INR 190 lakhs and fx movement of INR 140 Lakhs.

iii. Expenditure

During the year total expenditure decreased by INR 528 lakhs.

Composition of total expenses and brief analysis thereon are given below:

₹ In Lakhs

Cost Category	31-Mar-21	% of Revenue	31-Mar-20	% of Revenue
Employee costs and benefits (Note 1)	11,687	61	12,972	63
General and administration expenses (Note 2)	3,502	18	3,045	14
Finance charges (Note 3)	210	1	174	1
Depreciation (Note 3)	1,719	9	1,455	7
	17,118		**17,646**	

Note 1: The decrease in employee cost is on account of reduction in the employee benefits associated with revenue growth

Note 2: General and admin costs are higher with additional expense incurred on account of COVID amounting to ₹2.45 cr primarily for laptop and desktop hire charges, connectivity costs and staff transportation costs.

Note 3: Finance charges and depreciation charges movement are on account of Ind As 116 transactions.

iv. Tax expense

During this financial year current tax decreased from INR 873 Lakh to INR 531 Lakh due to which the Effective Tax Rate of the Company decreased from 48 % to 28 %.

FINANCIAL CONDITION - BALANCE SHEET

1. Share Capital

The Equity Capital of the Company as on March 31, 2021 stands at INR 1,524 Lakhs and has remained constant over the previous Balance sheet date.

2. Other equity

The following are the components of other equity. Brief note on the movement of the individual items are given below:

₹ In Lakhs

Description	As on 31.03.2021	As on 31.03.2020	Change over previous year
Securities Premium	12,019	12,019	
Capital Reserve	(2,175)	(2,175)	
General Reserve	1,413	1,413	
Retained Earnings	2,848	1,280	1,568
Total	**14,105**	**12,537**	

3. Non-Current Financial Liabilities - Borrowings

Secured loan of INR 1 lakhs represents balance payable towards Finance lease obligation (Vehicle Hypothecation loans). This has decreased by INR 17 lakhs during the year primarily due to repayments during the year and no additional borrowing in current year.

4. Lease liabilities- non current

Lease liabilities amounting to INR 647 Lakh represents the liabilities arising from Leases. Pursuant to the adoption of Ind AS-116 on Leases effective from April 1, 2019, the Company classified the present value of the unpaid lease payments and finance charges thereto as lease liabilities, as prescribed in the said accounting standard. The non –current portion represents obligation against the lease liabilities fall due beyond 12 months from the reporting date.

5. Non-current liabilities - Provisions

Non-Current provisions represents Provision for Gratuity benefits. During the current year the liability increased by INR 59 Lakh.

6. Trade Payables

Trade payables being payable to suppliers of goods and services, accrued salaries has decreased by INR 214 lakhs from INR 1,856 lakhs to INR 1,642 lakhs in FY21.

7. Lease liabilities- current

Lease liabilities amounting to INR 1,183 Lakh represents the current portion of liabilities arising from Leases. Pursuant to the adoption of Ind AS-116 on Leases effective from April 1, 2019, the Company classified the present value of the unpaid lease payments and finance charges thereto as lease liabilities, as prescribed in the said accounting standard. The current portion represents obligation against the lease liabilities fall due within next 12 months from the reporting date.

8. Other current financial Liabilities

Other Finance lease obligations comprises of Current Obligation towards Finance Lease liabilities (payable within 12 months from end of the reporting period). The amount stood at INR 15 Lakhs.

9. Other current liabilities

Other Current Liabilities comprises of Advances from Customers, Payable to Exchequer (statutory dues) falling due for payment in the subsequent month and Unclaimed dividend. During the current year, there was no significant movement.

10. Other current provisions

Current Provisions comprises of Gratuity liabilities falling due within next 12 months and liabilities towards compensated absences to employees. During the current year there was no significant movement.

11. Property, Plant and equipment

Additions to Fixed Assets amounted to INR 228 lakhs (previous year: INR 102 lakhs) in tangible fixed assets due to additions to call centre equipment and Computers and Servers –INR 70 lakhs; office equipment of INR 30 lakhs; and lease hold improvement of INR 128 lakhs.

After providing for depreciation of INR 290 lakhs (Previous year: INR 340 lakhs) for the year, the net block of fixed assets stood at INR 522 lakhs as on March 31, 2021 compared to ₹ 640 lakhs as at March 31, 2020.

12. Other intangible assets

Intangible assets comprise block of software used for call center operation. During the year there was an addition in Software of INR 302 lakhs primarily towards HRO IT infrastructure.

The closing net block of intangible assets is INR 466 lakhs as at 31 March 2021 as against INR 318 lakhs for the year ended 31 March 2020.

13. Right of use asset- (ROUA)

The Company adopted Indian Accounting Standard-116 (Ind-AS 116) on Leases as notified by Ministry of Company Affairs, effective from 01-04-2019 and opted for modified retrospective method, one of the prescribed option in the standard. Accordingly, the Right Of Use of Asset (ROUA) being an asset that represents a lessee's right to use an underlying asset for the lease term, recognized under Cost model wherein the cost represents the present value of lease payments less any incentives and any initial indirect cost incurred thereto. The ROUA also subject to depreciation and impairment tests like other assets. The balance of ROUA as at 31-03-2021 stood at INR 1,711 Lakh.

14. Non-Current Investments

Total Investments represent the amount of equity capital invested in the subsidiaries.

15. Other Financial Assets

Other Financial Assets represents Security Deposits made with Suppliers of Goods and Services and non-current category represents the maturity/refund tenure of the security deposits falling beyond 12 months from the reporting date. During the Current year there was an increase of INR 121 Lakh mainly due to Security Deposit made for new premise taken on rent at Noida and Bengaluru.

16. Deferred tax assets

Represents timing difference between Companies Act and Income tax act with respect to depreciation and provision for employee benefits. The amount for the current year stood at INR 966 lakhs as against INR 1,244 lakhs on March 31, 2020. MAT Credit utilisation amounting to ₹ 316 Lakh is the main reason for the decrease in the balance during the year.

17. Non-Current tax assets (Net)

Advance tax and tax deducted at source, net off provisions for taxation, stood INR 722 lakhs in current year as compared to INR 1,347 lakhs in last year. This is primarily on account of refunds received during the year for 3 past assessment years.

18. Current Investments

Current investments represent balances invested in mutual funds. The Balance as at 31 March 2021 is INR 4,971 Lakhs (previous year: INR 3,339 lakhs).

19. Trade Receivables

Current Trade receivable remained at INR 3,450 lakhs as at March 31, 2021 as against INR 3,344 lakhs as at March 31, 2020.

The sundry debtor in terms of days of sales (DSO) as at 31 March 2021 is 66 days (60 days for previous year).

20. Cash and Bank Balances

Cash and Bank balances stood at INR 3,876 lakhs as at 31 March 2021 as INR 3,846 lakhs as at 31 March 2020. This represents deposit accounts including margin money deposits amounting to INR 139 lakhs (previous year: INR 135 lakhs) and year end cash and bank balances of INR 3,737 lakhs as at end March 2021 as compared to INR 3,711 lakhs as at end March 2020.

The increase in cash and cash equivalents of INR 90 lakhs during the year represented by

a) Net Cash inflow from operations amounting to INR 3,540 lakhs (previous year cash inflow of INR 3,863 lakhs)

b) Net cash used in Investing activity amounted to INR 2,007 lakhs (previous year net cash inflow of INR 2,706 lakhs) and

c) Net cash used in financing activity amounted to INR 1,442 lakhs (previous year net cash used of INR 4,343 lakhs)

21. Other financial assets

Other financial assets stood at INR 1,411 lakhs in March 31, 2021 as against INR 1,278 lakhs in March 31, 2020. The increase during the year amounting to INR 133 Lakh primarily on account of higher unbilled revenue.

22. Other current assets

Other Current assets were at INR 332 Lakhs compared to INR 219 lakhs in previous year mainly due to higher prepaid expense at the end of the year on account of comprehensive AMC for IT and other assets including additional infrastructures made for HRO.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To

The Members
Allsec Technologies Limited

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Allsec Technologies Limited (hereinafter called "the Company") bearing Corporate Identification Number L72300TN1998PLC041033. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Allsec Technologies Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

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

(ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- During the financial year under review, there were no acquisition of shares and hence not applicable;

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- The Company has not issued any shares/security during the financial year under review and hence not applicable;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable to the Company during the financial year under review;

e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - During the financial year under review the Company has not issued any debt securities and hence not applicable;

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

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

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- The Company has not bought back any of its securities during the financial year under review and hence not applicable; and

j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

k) The Laws as applicable specifically to the Company are as under:

(i) Software Technology Parks of India and its regulations;

(ii) Information Technology Act, 2000 and Information Technology Amendment Act, 2008;

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

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

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

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

I further report that:

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

b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent 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) Majority decision is carried through where there were no dissenting members.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, rules, regulations and guidelines.

I further report that during the audit period, the following major transactions were identified:-

1. Mr. Subrata Kumar Nag (DIN: 02234000) resigned from the position of Non-Executive Director of the Company with effect from close of business hours on March 31, 2020.

2. Mr. Subramanian Ramakrishnan (DIN: 03522114) was appointed as an Additional Director (Non-Executive Non-Independent) of the Company with effect from April 1, 2020 and as Director by the Shareholders vide the Annual General Meeting held on September 30, 2020.

3. Mr. Nataraj Lakshmipathy resigned as Vice President-Finance and Chief Financial Officer of the Company with effect from the closure of business hours on June 18, 2020.

4. Mr. Raghunath P is appointed as Vice President-Finance and Chief Financial Officer of the Company with effect from June 19, 2020.

5. The request from Mr. Ramamoorthy Jagadish and Mr. Adiseshan Saravanan to reclassify their category of shareholding as "Public shareholder" from "Promoter Shareholder" has been approved by the Stock Exchange on August 5, 2020.

6. Mr. Subramanian Ramakrishnan (DIN: 03522114) resigned from the position of Non-Executive Non-Independent Director with effect from the closure of business hours on March 31, 2021.

7. Mr. N. Ravi Vishwanath (DIN: 07332234) is appointed as an Additional Director (Non-Executive Non-Independent) of the Company with effect from April 1, 2021.

8. The Board has declared an Interim Dividend of ₹ 15/- per share for the FY 2020-2021 on vide Board Meeting dated April 29, 2021.

9. The Composition of the Board of Directors of the Company as on March 31, 2021 is given in "Annexure B".

10. There were reconstitution of Audit Committee, Stakeholder Relationship Committee, Corporate Social Responsibility and Nomination and Remuneration Committee upon change in the Board. The Composition of Committees is given in "Annexure C".

For **Mohan Kumar & Associates**

Sd/-
A. Mohan Kumar
Practicing Company Secretary
Membership No.: FCS 4347
Certificate of Practice Number: 19145
UDIN: F004347C000370977

Place: Chennai
Date: May 26, 2021

This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A to Form No. MR-3

To

THE MEMBERS,
ALLSEC TECHNOLOGIES LIMITED

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate 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. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My examination was limited to the verification of procedure 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.

For **Mohan Kumar & Associates**

Sd/-
A. Mohan Kumar
Practicing Company Secretary
Membership No.: FCS 4347
Certificate of Practice Number: 19145
UDIN: F004347C000370977

Place: Chennai
Date: May 26, 2021

Annexure B to Form No. MR-3

Composition of Board of Directors as on March 31, 2021

S.No.	Name	Designation	Date of Appointment	Date of Appointment at Current Designation
1.	Mr. Milind Chalisgaonkar	Independent Non-Executive Director	30/09/2019	06/06/2019
2.	Mr. Ajit Abraham Isaac	Non-Executive Director	30/09/2019	29/05/2019
3.	Mr. Sanjay Anandaram	Independent Non-Executive Director	30/09/2019	06/06/2019
4.	Mr. Subramanian Ramakrishnan*	Non-Executive Director	30/09/2020	01/04/2020
5.	Ms. Rallabhandi Lakshmi Sarada	Independent Non-Executive Director	30/09/2019	29/08/2019
6.	Mr. Krishna Suraj Moraje	Non-Executive Director	30/09/2020	24/01/2020

* **Mr. Subramanian Ramakrishnan resigned w.e.f March 31, 2021.**

Key Managerial Personnel:

S.No.	Name	Designation	Date of Appointment	Date of Cessation
1.	Mr. Nataraj Lakshmipathy	Chief Financial Officer	01/02/2020	18/06/2020
2.	Mr. Raghunath Parthasarathy	Chief Financial Officer	19/06/2020	-
3.	Mr. Ashish Johri	Chief Executive Officer	01/10/2019	-
4.	Mr. Gagan Preet Singh	Company Secretary	09/11/2017	-

Annexure C to Form No. MR-3

Composition of Committees of Board as on March 31, 2021

1. Audit Committee:

S. No.	Name	Designation	Position held in the Committee
1.	Mr. Milind Chalisgaonkar	Non-Executive - Independent Director, Chairperson	06/06/2019
2.	Mr. Sanjay Anandaram	Non-Executive - Independent Director, Member	06/06/2019
3.	Ms. Lakshmi Sarada	Non-Executive - Independent Director, Member	10/09/2019
4.	Mr. Subramanian Ramakrishnan	Non-Executive - Non Independent Director, Member	01/04/2020

2. Nomination and Remuneration Committee:

S. No.	Name	Designation	Position held in the Committee
1.	Mr. Ajit Abraham Isaac	Non-Executive - Non Independent Director, Member	06/06/2019
2.	Mr. Sanjay Anandaram	Non-Executive - Independent Director, Chairperson	06/06/2019
3.	Mr. Milind Chalisgaonkar	Non-Executive - Independent Director, Member	06/06/2019
4.	Mr. Subramanian Ramakrishnan	Non-Executive - Non Independent Director, Member	01/04/2020

3. Stakeholders Relationship Committee:

S. No.	Name	Designation	Position held in the Committee
1.	Mr. Ajit Abraham Isaac	Non-Executive - Non Independent Director,Chairperson	06/06/2019
2.	Mr. Sanjay Anandaram	Non-Executive - Independent Director,Member	06/06/2019
3.	Mr. Subramanian Ramakrishnan	Non-Executive - Non Independent Director,Member	01/04/2020

4. Corporate Social Responsibility Committee:

S. No.	Name	Designation	Position held in the Committee
1.	Mr. Ajit Abraham Isaac	Non-Executive - Non Independent Director,Chairperson	06/06/2019
2.	Mr. Subramanian Ramakrishnan	Non-Executive - Non Independent Director,Member	01/04/2020
3.	Mr. Milind Chalisgaonkar	Non-Executive - Independent Director,Member	06/06/2019

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

Form AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries

1	Name of the subsidiary	**AllsecTech INC, USA**	**AllsecTech Manila Inc, Phillippines**	**Retreat Capital Management Inc, USA**
2	The date since when subsidiary was acquired	**14th September 2000**	**23rd November 2007**	**16th February 2011**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	**01 April 2020 to 31 March 2021**	**01 April 2020 to 31 March 2021**	**01 April 2020 to 31 March 2021**
4	Reporting currency	USD	Phillipine PESO	USD
5	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR.73.11/USD	INR.1.51/PESO	INR.73.11/USD
6	Share Capital	12,14,06,592	7,83,20,388	21,47,812
7	Reserves and surplus	(8,06,31,037)	1,07,23,64,932	(21,47,812)
8	Total assets	10,78,64,586	1,22,36,43,114	-
9	Total Liabilities	6,70,89,031	7,29,57,793	-
10	Investments	-	-	-
11	Turnover	47,65,86,196	83,15,77,321	-
12	Profit / (Loss) before taxation	(4,78,13,311)	27,37,77,345	(16,61,405)
13	Provision for taxation	1,03,42,046	3,17,35,135	(92,62,785)
14	Profit / (Loss) after taxation	(5,81,55,357)	24,20,42,210	76,01,380
15	Proposed Dividend	**-**	**-**	**-**
15	Extent of shareholding (in percentage)	**100%**	**100%**	**100%**

Notes:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on avearge exchange rate during the year for the revenue items (P&L items) and closing exchange rate as at 31 March 2021 for Balance Sheet items.
2. Retreat Capital Management Inc., the wholly owned subsidiary in the US, was wound up during the current year.

Disclosures pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

a. Table showing ratio of Remuneration of each Director / KMP to the median remuneration of the employees of the Company

INR In Lakhs

Name of KMP	Designation	Remuneration for the FY 2021	% Increase/ (Decrease) of remuneration in 2021 as compared to 2020	Ratio of Median Remuneration of Employee
Mr. Ashish Johri	Chief Executive Officer	111	NA	47.64
Mr. Raghunath P (w.e.f. June 19, 2020)	Chief Financial Officer	57	NA	NA
Mr. Nataraj Lakhmipathy (upto June 18, 2020)	Chief Financial Officer	17	NA	NA
Mr. Gagan Preet Singh	Company Secretary	25	NIL	10.67

b. The Median Remuneration for the year 2020-21 : ₹ 2.33 Lakhs.

c. The number of permanent employees in the Rolls of the Company : 3805

d. Percentage of Increase in the median remuneration of eligible employees in the financial year : 23%

e. There were no significant increment in the remuneration of employess during FY 2021 and the total employee cost for FY 2021 is lower than FY 2020 in view of the economic conditions impacted by the COVID-19 pandemic.

f. Affirmation that the Remuneration is as per the policy :
The Board has, on recommendation of the Nomination & Remuneration Committee framed a remuneration Policy for selection, appointment of Directors & Senior Management and the same is available in the website link https://www.allsectech.com/investor-information.

g. Statement of Employees drawing more than the value prescribed Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – NIL

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company: Allsec Technologies Limited has formed the policy and procedures striving for economic and social development that positively impacts the society at large; and more specifically communities in which Allsec operate. The main objective of the CSR Policy is to lay down guidelines for Allsec to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Government in enhancing the welfare measures of the communities and enterprises linked directly or indirectly to business activities of the group and its subsidiaries. It is to ensure that the community receives good quality health care and education facilitates to help them grow, which in turn would lead to sustainable growth of the enterprises they are engaged with, the society and the country at large.
2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ajit Isaac	Chairman	1	1
2	Mr. Subramanian Ramakrishnan (upto 31.03.2021)	Member	1	1
3	Mr. Milind Chalisgaonkar	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://www.allsectech.com/investor-information
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	NIL	-	-
	Total	-	-

6. Average net profit of the company as per section 135(5) : ₹ 2,584 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 51.72 Lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil

   (c) Amount required to be set off for the financial year. Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 51.72 Lakhs

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
51.72 Lakhs	Nil		Nil		

(b) Details of CSR amount spent against **ongoing projects** for the financial year: Not Applicable

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount Transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration number.
1.	Contribution for Schedule VII activities – School Up gradation	(ii)	Yes	Tamilnadu	Chennai	₹ 51.72 Lakhs	No	Careworks Foundation	CSR00001744
	Total					**₹ 51.72 Lakhs**			

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the Financial Year ₹51.72 Lakhs

(g) Excess amount for set off, if any - Nil

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	51.72 Lakhs
(ii)	Total amount spent for the Financial Year	51.72 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: None

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer	
	-		Nil				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
	-				Nil			

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) - None

(b) Amount of CSR spent for creation or acquisition of capital asset - Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Place: Bengaluru
Date: May 26, 2021

Sd/-
Milind Chalisgaonkar
(Member)

Sd/-
Ajit Isaac
(Chairman CSR Committee)

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER TO THE BOARD AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We hereby certify to the Board:

A. We hereby certify that -

a. We have reviewed financial statements for the period ended March 31, 2021 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

ii. 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.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal control over Financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to Financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

d. We have indicated wherever applicable, to the Auditors and the Audit Committee:

i. significant changes in internal control over Financial reporting during the quarter;

ii. significant changes in accounting policies during the quarter, if any and that the same have been disclosed in the notes to the financial statements and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system

Place : Chennai
Date: May 26, 2021

Sd/-
Ashish Johri
Chief Executive Officer

Sd/-
Raghunath P
Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT
FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2021
(AS PER REGULATION 34(2)(F) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

S. No.	Particulars	
	Section A: General Information about the Company	
1	Corporate Identity Number (CIN) of the Company	L72300TN1998PLC041033
2	Name of the Company	Allsec Technologies Limited
3	Registered address	46C, Velachery Main Road, Velachery, Chennai-600042
4	Website	www.allsectech.com
5	E-mail id	investorcontact@allsectech.com
6	Financial Year reported	1 April 2020 to 31 March 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	The NIC Code of the following services provided by the Company is: i. Human Resources Outsourcing (7830) ii. Digital Business Services (8220)
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	i. Human Resources Outsourcing ii. Digital Business Services
9	Total number of locations where business activity is undertaken by the Company Number of International Locations Number of National Locations	 https://www.allsectech.com/contact/ https://www.allsectech.com/contact/
	Section B: Financial Details of the Company	
1	Paid-up Capital	₹ 152,383,260/-
2	Total Turnover	₹ 28,033 Lakhs (Consolidated)
3	Total profit after taxes	₹ 3,705 Lakhs (Consolidated)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Refer Corporate Social Responsibility Report annexed to the Annual Report
5	List of activities in which expenditure in 4 above has been incurred	Refer Corporate Social Responsibility Report annexed to the Annual Report
	Section C: Other Details	
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary Company(s)	Yes, 2 Subsidiaries
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

S. No.	Particulars	
	Section D: BR Information	
1	Details of Director/Directors responsible for BR	
	a) Details of the Director/Director responsible for implementation of the BR policy/policies	
	DIN Number	00087168
	Name	Mr. Ajit Isaac
	Designation	Chairman
	b) Details of the BR head	
	DIN Number	08594844
	Name	Mr. Krishna Suraj Moraje
	Designation	Non-Executive Director
	Telephone number	044-42997070
	E-mail id	investorcontact@allsectech.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 Businesses should promote the wellbeing of all employees.

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 Businesses should respect and promote human rights.

P6 Business should respect, protect, and make efforts to restore the environment.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 Businesses should support inclusive growth and equitable development.

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for -	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? The spirit and intent of Allsec Code of Conduct and other Codes/Policies are prepared in compliance with applicable laws/rules/ guidelines. In addition, they reflect the vision and mission of the company of providing world-class customer experience while continuously working towards creating better lives.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies are periodically reviewed by the Leadership Team which include Board members.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.allsectech.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stake holders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	**Governance related to BR**									
a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually								
b	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, annually. Website link - https://www.allsectech.com/investor-information/								
	Section E: Principle-wise performance									
	Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability									
1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.	Our policies related to ethics, bribery and corruption are part of our corporate governance framework and cover the company and our suppliers.								
2	Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?	Allsec stakeholders include our investors, clients, employees, vendors/ partners, government and local communities.								

3	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	For details on investor complaints, refer to investor complaints section of Corporate Governance Report.
	Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	i. Human Resources Outsourcing ii. Digital Business Services.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not applicable
3	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?	Yes
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes, wherever possible
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as >5%, 5-10%, <10%).	Yes, wherever possible
	Principle 3 - Businesses should promote the well-being of all employees	
1	Please indicate the Total number of employees	Our global employees count including associates stands at 3,805 as on 31 March 2021 (including temporary, contractual and causal basis).
2	Please indicate the total number of employees hired on temporary/ contractual/casual basis as on 31 March 2020.	The total number of employees hired on temporary/ contractual/casual basis is 3 as on 31 March 2021.
3	Please indicate the Number of permanent women employees.	The number of permanent global women employees is 1,544 as on 31 March 2021.
4	Please indicate the Number of permanent employees with disabilities	The Company does not specifically track the number of disabled employees. The Company gives equal opportunities and treats all employees at par.
5	Do you have an employee association that is recognized by management?	No
6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable

7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	None
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? • Permanent Employees • Permanent Women Employees • Casual/Temporary/Contractual Employees • Employees with Disabilities	All employees of the Company (Permanent men, Permanent women and Contractual employees) are being given skill up-gradation through training programmes conducted across organisation.
	Principle 4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	
1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?	Please refer Corporate Social Responsibility Report annexed to this Annual Report.
	Principle 5 - Businesses should respect and promote human rights	
1	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/ Others?	Yes, all subsidiary companies of Allsec are covered under the policy.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Please refer Corporate Governance Report for investor complaints and redressal status.
	Principle 6 - Business should respect, protect, and make efforts to restore the environment	
1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.	Not applicable, as the Company provides services
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	Not applicable
3	Does the company identify and assess potential environmental risks? Y/N	Not applicable
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not applicable
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Not applicable

6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable
7	Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	Not applicable
	Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	
1	Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with.	i. Confederation of Indian Industry ii. The Madras Chamber of Commerce & Industry
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes 1) Governance & Administration 2) Economic Reforms 3) Inclusive Development Policies 4) Sustainable Business Principles
	Principle 8 - Businesses should support inclusive growth and equitable development	
1	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof	The Company focusses on responsible business practices with community centric interventions. The thrust areas are sustainable livelihood – especially skill development and employability training, education and health care, all of which constitute the Human Development Index – a quality of life indicator.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization	Yes, through Care Works Foundation (CWF).
3	Have you done any impact assessment of your initiative?	Yes
4	What is your company's direct contribution to community development projects. Amount in INR and the details of the projects undertaken.	Please refer Corporate Social Responsibility report annexed to this Annual Report.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Please refer Corporate Social Responsibility report annexed to this Annual Report.
	Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner	
1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year	Nil

2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	Not applicable
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year	No
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company interacts with its clients on a routine basis and across all social media multiple platforms. Customer-focused excellence demands constant sensitivity to changing and emerging customer requirements and close attention to the voice of the customer.

For and on behalf of the Board of Directors

Place : Bengaluru
Date: 26 May 2021

Sd/-
Ajit Isaac
Director

Sd/-
Krishna Suraj Moraje
Director

Standalone Financial Statements for the year ended March 31, 2021

Independent Auditor's Report

To The Members of Allsec Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Allsec Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key audit matter	Auditor's Response
1	**Revenue Recognition** Revenue from contracts with customers for the year ended 31 March 2021 is ₹ 18,865 lakhs. Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and or (2) the unit of work delivered multiplied by agreed rate in the contract with customers. These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above. Revenue is recognised only based on customer acceptances for delivery of work. Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.	**Principal audit procedures performed:** We understood and evaluated the Company's process for recording and measuring revenues and compared that to the Company's accounting policies to ensure consistency. We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered. For a sample of contracts, we performed the following procedures: We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer. We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Director's Report (but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   (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, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

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

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

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
Unique Identification Number: 21213649AAAACD2837

Place: Hyderabad
Date: 26 May 2021
MM/BS/2021/23

Annexure A to Independent Auditor's Report

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

Report on the Internal Financial Controls Over Financial Reporting 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 Allsec Technologies Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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, to the best of our information and according to the explanations given to us, 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 2021 based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
Unique Identification Number: 21213649AAAACD2837

Place: Hyderabad
Date: 26 May 2021
MM/BS/2021/23

Annexure B to Independent Auditor's Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of Company's Property, Plant and Equipment:

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

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and building, which are reported under Property, Plant and Equipment and hence reporting under clause (i)(c) of the Order is not applicable.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax, Goods and Service Tax as on 31 March 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

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

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
Unique Identification Number: 21213649AAAACD2837

Place: Hyderabad
Date: 26 May 2021
MM/BS/2021/23

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

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3	522	640
	(b) Right-of-use asset (ROUA)	26	1,711	1,558
	(c) Other intangible assets	3	466	318
	(d) Intangible assets under development		134	15
	(e) Financial assets			
	(i) Investments	4	1,020	1,020
	(ii) Other financial assets	5	596	474
	(f) Deferred tax assets (net)	25.2	966	1,244
	(g) Income tax assets (net)	6	722	1,347
	(h) Other non-current assets	7	5	4
	Total non-current assets		**6,142**	**6,620**
II	**Current assets**			
	(a) Financial assets			
	(i) Investments	4	4,971	3,339
	(ii) Trade receivables	8	3,450	3,344
	(iii) Cash and cash equivalents	9	3,737	3,711
	(iv) Bank balances other than cash and cash equivalents	10	139	135
	(v) Other financial assets	5	1,411	1,278
	(b) Other current assets	7	332	219
	Total current assets		**14,040**	**12,026**
	Total Assets (I + II)		**20,182**	**18,646**
B	**EQUITY AND LIABILITIES**			
III	**Equity**			
	(a) Equity share capital	11	1,524	1,524
	(b) Other equity	12	14,105	12,537
	Total equity		**15,629**	**14,061**
IV	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	13	1	18
	(ii) Lease liabilities	26	647	1,019
	(b) Provisions	15	508	449
	Total non-current liabilities		**1,156**	**1,486**
V	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	16	2	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,640	1,856
	(ii) Lease liabilities	26	1,183	592
	(iii) Other financial liabilities	14	15	103
	(b) Other current liabilities	17	288	286
	(c) Provisions	15	269	262
	Total current liabilities		**3,397**	**3,099**
	Total equity and liabilities (III + IV + V)		**20,182**	**18,646**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

	Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I	**REVENUE FROM OPERATIONS**	18	18,865	20,133
II	Other income	19	381	545
III	**Total income (I + II)**		**19,246**	**20,678**
IV	**Expenses**			
	Employee benefits expense	20	11,687	12,972
	Finance costs	21	210	174
	Depreciation and amortisation expense	3	1,719	1,455
	Other expenses	22	3,502	3,045
	Total expenses		**17,118**	**17,646**
V	**Profit before exceptional items and tax (III - IV)**		**2,128**	**3,032**
VI	**Exceptional items**			
	Provision for impairment of investment in subsidiary	37	-	1,214
VII	**Profit before tax (V - VI)**		**2,128**	**1,818**
VIII	**Tax expense**			
	(a) Current tax (including tax of earlier years)	25.1	557	847
	(b) Deferred tax	25.2	(26)	26
			531	**873**
IX	**Profit for the Year (VII - VIII)**		**1,597**	**945**
X	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		(41)	(149)
	- Income tax relating to items that will not be reclassified to profit or loss		12	51
			(29)	**(98)**
	Items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive loss for the period		**(29)**	**(98)**
XI	**Total comprehensive income for the year (IX + X)**		**1,568**	**847**
XII	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		10.48	6.20
	(b) Diluted (in ₹)		10.48	6.20

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Profit before income tax	2,128	1,818
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	1,719	1,455
Unrealized foreign exchange gain	(43)	(154)
Provision for impairment of investments in subsidiary	-	1,214
Profit on sale of property, plant and equipment (net)	(10)	(2)
Provision for loss allowances	48	16
Finance costs	210	174
Net gain arising on current investments not designated as at Fair Value through Profit or Loss	(157)	(158)
Profit on redemption of current investments	(35)	(199)
Interest Income		
- on fixed deposits	(9)	(5)
- on Income Tax Refund	(140)	-
Operating Profit before Working Capital and Other Changes	**3,711**	**4,159**
Working capital adjustments:		
Adjustments for (increase)/decrease in operating assets:		
Trade Receivables	(179)	(324)
Other financial assets	(134)	75
Other assets	(114)	(25)
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	(214)	893
Other financial liabilities	(81)	464
Other liabilities	2	(101)
Provisions	32	52
Cash Generated from Operations	**3,023**	**5,193**
Net income tax (refunded) / paid	517	(1,330)
Net cash flow generated from Operating Activities (A)	**3,540**	**3,863**

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
B. Cash Flow From Investing Activities		
Purchase of Property, plant and equipment	(649)	(181)
Proceeds from sale of Property, plant and equipment	66	19
Investments made on business acquisitions	-	(1,680)
(Purchase) / Sale of current investments (net)	(1,440)	4,543
Interest received on fixed deposits	16	5
Net cash flow (used in) / from Investing Activities (B)	**(2,007)**	**2,706**
C. Cash Flow Used in Financing Activities		
Borrowings taken	-	-
Repayment of borrowings	(24)	(1,379)
Repayment of lease liabilities	(1,208)	(959)
Interest paid	(210)	(174)
Dividend paid (including dividend distribution tax)	-	(1,831)
Net Cash Flow used in Financing Activities (C)	**(1,442)**	**(4,343)**
Net increase in cash and cash equivalents (A + B + C)	91	2,226
Cash taken over on business acquisition	-	130
Effect of exchange differences on cash & cash equivalents held in foreign currency	(65)	(79)
Cash and cash equivalents at the beginning of the year	3,711	1,434
Cash and cash equivalents at the end of the year	**3,737**	**3,711**
Components of cash and cash equivalents (Refer Note 9)		
Cash on hand	-	5
Balance with banks in current accounts	3,737	3,706
Total cash and cash equivalents	**3,737**	**3,711**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

A. Equity share capital

Amount

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at beginning of the year	1,524	1,524
Changes in equity share capital during the year	-	-
Closing Balance	**1,524**	**1,524**

B. Other equity

Particulars	Reserves and surplus				Total
	General reserve	Retained earnings	Capital reserve	Securities premium	
Balance at 01 April 2019	**1,413**	**2,267**	**251**	**12,019**	**15,950**
Dividend Distribution	-	(1,524)	-	-	(1,524)
Dividend Distribution tax on equity shares	-	(310)	-	-	(310)
Profit for the year	-	945	-	-	945
Business combination reserve (Refer Note 36)	-	-	(2,426)	-	(2,426)
Remeasurement of defined benefits plan (net of taxes)	-	(98)	-	-	(98)
Balance at 31 March 2020	**1,413**	**1,280**	**(2,175)**	**12,019**	**12,537**
Profit for the year	-	1,597	-	-	1,597
Remeasurement of defined benefits plan (net of taxes)	-	(29)	-	-	(29)
Balance at 31 March 2021	**1,413**	**2,848**	**(2,175)**	**12,019**	**14,105**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
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Company Secretary
Place: Chennai

1 General Information

Allsec Technologies Limited ('Allsec' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Digital Business Services (DBS) and Human Resource Outsourcing (HRO) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centers, customer services and HR and payroll processing. The Company has delivery centers at Chennai, Bengaluru and NCR. The Company has three wholly owned subsidiaries, Allsectech Inc., USA, Allsectech Manila Inc., Philippines and Retreat Capital Management Inc., USA.

Application of revised Ind AS

Statement of Compliance

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Recent Accounting Pronouncements:

(i) Amendments to Ind AS 1 and Ind AS 8 – Definition of "material":

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(ii) Amendments to Ind AS 116 – COVID-19 related rent concessions:

The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The Company did not get any rent concessions from the lessor during the current year."

(iii) Amendments to Ind AS 103 - Definition of a business:

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020.

The Company has evaluated the effect of this amendment on financial statements and concluded that it is currently not applicable."

(iv) Amendments to Ind AS 109 and 107 - Interest Rate Benchmark Reform:

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The Company has evaluated the effect of this amendment on financial statements and concluded that it is currently not applicable.

Amendment to Schedule III of the Companies Act, 2013

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and II of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which related to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head "financial liabilities", duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020.The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of theCode when it comes into effect and will record any related impact in the period when the Code becomes effective.

2 Summary of significant accounting policies

2.1 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

'In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

2.4 Cash flow statement

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

2.5 Revenue from contracts with customers

The Company derives revenues primarily from services comprising the DBS and HRO services for customer in India and outside India. Effective 01 April 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the significant accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step process:

1 Identifying the contract with customer

2 Identifying the performance obligations

3 Determining the transaction price

4 Allocating the transaction price to the performance obligations

5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the company expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and - material basis.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Company has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.

2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable."

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows::

Asset Description	Useful lives (Years) followed by the Company	Useful lives (Years) prescribed under Schedule II to the Companies Act, 2013
Computers and servers	3 - 10	3
Call Centre Equipments	3 - 10	15
Furniture and fixtures	3 - 10	10
Office Equipment	5	5
Vehicles – Motor Cars	3 - 5	8

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period, whichever is less.

The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management's assessment and technical advise, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

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

2.8 Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lite and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses."

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred

from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately."

Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are depreciated using the straight-line method over a period based on management's estimate of useful lives of such software of 4 years, or over the license period of the software, whichever is shorter.

Derecognition of intangible assets

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

2.9 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line item in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets is presented as a separate line item in the balance sheet.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘Property, Plant and Equipment’ policy.

2.11 Foreign currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

2.12 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1 Financial Assets

(a) Recognition and initial measurement

(i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

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

  For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized 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.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e All other financial assets are subsequently measured at fair value.

(c) Effective interest method

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

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

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

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

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109."

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

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

Forward contracts

The group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Investment in Subsidiaries

Investment in equity instruments issued by subsidiaries are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries are measured at acquisition date fair value.

2.14 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, 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. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

2.15 Earnings per equity share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

MAT Credit Entitlement:

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.17 Contingent liabilities, Contingent Assets and Provisions

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

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

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

Contingent assets are not recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

2.18 Segment Reporting

Operating segments reflect the Company’s management structure and the way the financial information is regularly reviewed by the Company’s Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

2.19 Goods and ServiceTax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.20 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.21 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.22 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits

Determination of functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Company. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.

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

3 Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment							Other Intangible assets - Computer software
	Computers and servers	Call centre equipment	Furniture and fittings	Office equipment	Vehicles	Leasehold improvements	Total	
Gross block								
Balance as at 01 April 2019	369	533	57	232	331	63	1,585	629
Additions	1	18	33	45	-	5	102	122
Assets acquired as part of business combination	24	-	1	7	-	1	33	-
Disposals	-	-	-	(1)	(108)	-	(109)	-
Balance as at 31 March 2020	**394**	**551**	**91**	**283**	**223**	**69**	**1,611**	**751**
Additions	8	62	-	30	-	128	228	302
Assets acquired as part of business combination	-	-	-	-	-	-	-	-
Disposals	-	-	-	(23)	(147)	-	(170)	-
Balance as at 31 March 2021	**402**	**613**	**91**	**290**	**76**	**197**	**1,669**	**1,053**
Accumulated depreciation/ amortisation								
Balance as at 01 April 2019	157	275	22	87	142	40	723	331
Depreciation/amortisation expense for the year	119	87	10	44	65	15	340	102
Reversal on sale of assets	-	-	-	(1)	(91)	-	(92)	-
Balance as at 31 March 2020	**276**	**362**	**32**	**130**	**116**	**55**	**971**	**433**
Depreciation/amortisation expense for the year	89	83	11	44	32	31	290	154
Reversal on sale of assets	-	-	-	(23)	(88)	(3)	(114)	-
Balance as at 31 March 2021	**365**	**445**	**43**	**151**	**60**	**83**	**1,147**	**587**
Net block								
Balance as at 31 March 2020	118	189	59	153	107	14	640	318
Balance as at 31 March 2021	**37**	**168**	**48**	**139**	**16**	**114**	**522**	**466**

Note: 1. Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of Property, Plant and Equipment	290	340
Amortisation of Other intangible assets	154	102
Depreciation of Right of use asset (Refer Note 26(c))	1,275	1,013
Total	**1,719**	**1,455**

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

		Particulars	As at March 31, 2021	As at March 31, 2020
4	**Investments**			
	A	**Non-current (Unquoted)**		
		Investments carried at cost		
		Investments in equity instruments of subsidiaries (fully paid-up)		
		Allsectech Inc, USA	1,214	1,214
		- 100 (31 March 2020 - 100) Common stock of US $ 23,100 each, fuly paid up		
		Allsectech Manila Inc., Philippines	1,020	1,020
		- 8,12,500 (31 March 2020 - 8,12,500) Equity shares of Philippine Pesos (PHP) 100 each fully paid up		
		Retreat Capital Management Inc., USA*	-	1,307
		- Nil (31 March 2020 - 1,160) Common stock of US $10 each, fully paid up		
		Total Cost	**2,234**	**3,541**
		Provision for impairment (Refer Note 37)	(1,214)	(2,521)
		Total non-current investments	**1,020**	**1,020**
		Aggregate amount of quoted investments and market value thereof	-	-
		Aggregate book value of unquoted investments	1,020	1,020
		Aggregate amount of impairment in the value of investments	1,214	2,521
		Extent of investment in subsidiaries		
		Allsectech Inc, USA	100%	100%
		Allsectech Manila Inc., Philippines	100%	100%
		Retreat Capital Management Inc., USA*	0%	100%
		*Retreat Capital Management Inc., the wholly owned subsidiary in the US, was wound up during the current year. The Secretary of State (California) has issued the certificate of dissolution dated 19 February 2021.		
	B.	**Current (Quoted)**		
		Investments carried at fair value through profit and loss		
		Investment in mutual funds	4,971	3,339
		Total current investments	**4,971**	**3,339**
		Aggregate amount of quoted investments and market value thereof	4,971	3,339
		Aggregate book value of investments	4,971	3,339
		Aggregate amount of impairment in the value of investments	-	-

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

Details of investment in mutual funds

Name of Mutual fund	Number of Units		Carrying Value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Hdfc Floating Rate Debt Fund - Growth	13,38,487	13,38,486	508	470
HDFC Money Market Fund – Growth	10,186	10,186	450	426
ICICI Prudential Savings Fund - Growth	1,27,588	1,07,765	531	417
Kotak Money Market Scheme - Growth	13,436	13,436	466	443
Kotak Liquid Regular Plan Growth	14,607	14,607	605	584
UTI Liquid Cash Plan - Regular Growth Plan	4,399	4,399	148	142
UTI Money Market Fund - Regular Growth Plan	18,838	18,838	447	424
Baroda Liquid Fund - Plan B Growth	-	18,904	-	433
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	10,52,869	-	403	-
HDFC Ultra Short Term Fund – Direct Growth	25,50,008	-	304	-
HDFC Ultra Short Term Fund – Regular Growth	8,63,090	-	102	-
ICICI Prudential Savings Fund - DP - Growth	71,632	-	301	-
Kotak Banking and PSU Debt Fund - Growth (Regular Plan)	5,98,776	-	301	-
Kotak Money Market Fund - Direct Plan - Growth	5,862	-	204	-
UTI Money Market Fund - Direct Growth Plan	8,386	-	201	-
*** No of units are in absolute numbers**			**4,971**	**3,339**

	Particulars	As at March 31, 2021	As at March 31, 2020
5	**Other financial assets**		
	Non-current		
	Security deposits		
	- Unsecured, considered good	511	471
	- Doubtful	-	-
	Advance towards rental of lease premises	84	-
	Others	1	3
	Total	**596**	**474**
	Current		
	Foreign currency forward contracts receivable	51	-
	Unbilled revenue	1,350	1,052
	Other advances	10	226
	Total	**1,411**	**1,278**

	Particulars	As at March 31, 2021	As at March 31, 2020
6	**Non-current tax asset**		
	Advance Taxes (Net of Provision for taxes)	722	1,347
	Total	**722**	**1,347**
7	**Other assets**		
	Non current		
	Prepaid Expenses	5	4
		5	**4**
	Current		
	Prepaid expenses	261	171
	Advance to suppliers	1	40
	Others	70	8
	Total	**332**	**219**
8	**Trade receivables**		
	Receivables considered good, Secured	-	-
	Receivables considered good, Unsecured	3,450	3,344
	Doubtful	108	129
	Sub-total	**3,558**	**3,473**
	Less: Allowance for doubtful debts (expected credit loss allowance)	(108)	(129)
	Total	**3,450**	**3,344**

8.1 Credit period and risk

The average credit period for the services rendered:

(a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 7 days to 90 days. (31 March 2020: Ranging from 45 days to 90 days)

(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 7 days to 90 days. (31 March 2020: Ranging from 30 days to 180 days)

Of the trade receivable balance as at March 31, 2021, there are no customers who represent more than 10% of the total outstanding trade receivable balance. One of the customers accounted for more than 10% of the receivables (₹ 387 lakhs) as at 31 March 2020.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor are any trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

8.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information.

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

Age of receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Domestic Customers:		
(i) Within Credit period	2,011	1,744
(ii) 0 - 1 year	789	730
(iii) 1 - 2 years	70	109
(iv) 2 - 3 years		
(v) More than 3 years		
Sub-total (A)	**2,870**	**2,583**
International Customers:		
(i) Within Credit period	603	694
(ii) 0 - 1 year	85	196
(iii) 1 - 2 years		
(iv) 2 - 3 years		
(v) More than 3 years		
Sub-total (B)	**688**	**890**
Grand Total (A + B)	**3,558**	**3,473**

Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the group's cash management process and can be recovered on demand by the Company. Accordingly, no provisions has been considered necessary.

With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

8.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	129	20
Add: Allowance towards Expected credit loss provided	48	121
Less: Allowances written off during the year	69	12
Balance at end of the year	**108**	**129**

Particulars	As at March 31, 2021	As at March 31, 2020
9 Cash and cash equivalents		
(a) Cash on hand	-	5
(b) Balance with banks*	3,737	3,706
Total	**3,737**	**3,711**

* Balance with banks as at 31 March 2021 and 31 March 2020 include restricted bank balances of ₹ 5 lakhs each. The restricted balances pertains to unclaimed dividend / unpaid dividends.

Particulars	As at March 31, 2021	As at March 31, 2020
10 Bank balances other than cash and cash equivalents		
Balances with bank held as margin money*	139	135
Total	**139**	**135**

* Margin money deposits are provided as security against guarantee.

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
11 Equity share capital				
Authorised				
Equity shares of ₹ 10/- each	2,00,00,000	2,000	2,00,00,000	2,000
Convertible preference shares of ₹ 100/- each	13,50,000	1,350	13,50,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each fully paid up	1,52,38,326	1,524	1,52,38,326	1,524
Total	**1,52,38,326**	**1,524**	**1,52,38,326**	**1,524**

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Equity shares of ₹ 10/- each fully paid

Sl. No.	Particulars	As at March 31, 2021		As at March 31, 2020	
		Number of Shares	Amount	Number of Shares	Amount
1	Saravanan A*	-	-	3,80,958	2.50%
2	Jagadish R*	-	-	3,80,958	2.50%
3	Conneqt Business Solutions Limited	1,11,82,912	73.39%	1,11,82,912	73.39%

* Ceased to be promoters w.e.f 25 August 2020

c) **Rights, preferences and restrictions attached to equity shares**

The Company has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued pursuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2021.

	Particulars	As at March 31, 2021	As at March 31, 2020
12	**Other equity**		
a)	**Securities premium (Refer Note 12.1 below)**		
	Balance at the beginning of the year	12,019	12,019
	Add : Additions made during the year	-	-
	Balance at the end of the year	**12,019**	**12,019**
b)	**Capital reserve (Refer Note 12.2 below)**		
	Balance at the beginning of the year	(2,175)	251
	Add : Additions made during the year (Refer Note 36)	-	(2,426)
	Balance at the end of the year	**(2,175)**	**(2,175)**
c)	**General reserve (Refer Note 12.3 below)**		
	Balance at the beginning of the year	1,413	1,413
	Add : Additions made during the year	-	-
	Balance at the end of the year	**1,413**	**1,413**
d)	**Retained earnings (Refer Note 12.4 below)**		
	Balance at the beginning of the year	1,280	2,267
	Less: Dividends (Refer Note 35)	-	(1,524)
	Less: Dividend distribution tax	-	(310)
	Add: Profit for the year	1,597	945
	Add : Remeasurement of defined benefits plan (net of taxes)	(29)	(98)
	Balance at the end of the year	**2,848**	**1,280**
	Total	**14,105**	**12,537**

Notes:

12.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

12.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently. Addition during the previous year ended 31 March 2020 of ₹ 2,426 lakhs represents reserve arising on business combination, recognised on acquisition of the statutory compliance business from Coachieve (Also Refer Note 36).

12.3: This represents appropriation of profit by the Company.

12.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

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

Particulars	As at March 31, 2021	As at March 31, 2020
13 Borrowings		
Non-Current		
From banks		
(i) Finance lease obligation (Secured) #	1	18
	1	**18**

Finance lease from HDFC Bank - Secured

Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2021	Repayment Terms	As at 31 March 2021
Ranging between 36 - 60	Ranging between 8% - 10%	91	Principal Quarterly, Interest Monthly	16
Less: Current maturities of long-term borrowings (Refer Note 14)				15
Long term Borrowings				**1**

Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2020	Repayment Terms	As at 31 March 2020
Ranging between 36 - 60	Ranging between 8% - 10%	195	Principal Quarterly, Interest Monthly	40
Less: Current Maturities of long-term borrowings (Refer Note 14)				22
Long term Borrowings				**18**

Finance lease obligations are secured by hypothecation of the respective vehicles acquired on hire purchase and carry an interest rate of 8%-10% p.a (31 March 2020: 8%-10% p.a) with repayment term ranging from 3 to 5 years.

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

	Particulars	As at March 31, 2021	As at March 31, 2020
14	**Other financial liabilities**		
	Current		
	Current maturities of finance lease obligations (Refer note 13)	15	22
	Foreign currency forward contracts payable	-	81
	Total	**15**	**103**
15	**Provisions**		
	Non-current		
	Gratuity	508	449
	Total	**508**	**449**
	Current		
	Gratuity	60	60
	Compensated absences*	209	202
	Total	**269**	**262**
	* The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.		
16	**Trade payables**		
	- Other than Acceptances (Refer Note 30)	-	-
	- Dues of Micro Enterprises and Small Enterprises	2	-
	- Dues of Creditors Other than Micro Enterprises and Small Enterprises	1,640	1,856
	Total	**1,642**	**1,856**
17	**Other current liabilities**		
	Advances from customers	28	32
	Statutory dues payable	255	249
	Unclaimed dividend	5	5
	Total	**288**	**286**

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
18 Revenue from operations		
Revenue from Services:		
A. Digital Business Services (DBS)		
(i) International	3,560	3,670
(ii) Domestic	5,970	7,199
B. Human Resource Outsourcing (HRO)		
(i) International	1,617	1,718
(ii) Domestic	7,718	7,546
Total	**18,865**	**20,133**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this dissaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and Unbilled Revenue

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Receivables, which are included in 'Trade and other receivables'	3,450	3,344
Unbilled Revenue	1,350	1,052

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations.

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

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

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
19	**Other income**		
	Interest Income		
	- on fixed deposits	9	5
	- income tax refund	140	-
	Net gain arising on Financial Assets not designated as at Fair Value through Profit or Loss	163	182
	Profit on redemption of current investments	35	199
	Net gain on foreign currency transaction and translation	24	153
	Profit on sale of assets	10	2
	Miscellaneous income	-	4
	Total	**381**	**545**
20	**Employee benefits expense**		
	Salaries, wages and bonus	10,652	11,853
	Contribution to provident and other funds	738	652
	Staff welfare expenses	297	467
	Total	**11,687**	**12,972**
21	**Finance costs**		
	Interest expense		
	(i) Interest on finance lease obligations	2	5
	(ii) Interest on loans from related parties	-	27
	(iii) Increase accrued on lease liabilities	208	137
	Others	-	5
	Total	**210**	**174**

		Year ended March 31, 2021	Year ended March 31, 2020
22	**Other expenses**		
	Professional and Consultancy Charges	1,281	480
	Travelling and Conveyance	40	234
	Power and Fuel	368	507
	Rent	48	63
	Repairs and maintenance		
	- Machinery	542	425
	- Others	286	372
	Insurance expenses	6	14
	Fees, rates and taxes	4	57
	Sales and marketing expenses	95	65
	Communication charges	42	26
	Connectivity cost	459	414
	Security charges	155	202
	Bank charges	11	13
	Allowance for Expected Credit Losses	48	16
	Bad Receivables Written off	69	12
	Less: Release of allowance for expected credit losses	(69)	(12)
		-	-
	Corporate social responsibility expenditure (Refer note 24)	52	44
	Directors' sitting fees	7	11
	Directors' commission	17	13
	Miscellaneous expenses	41	89
	Total	**3,502**	**3,045**
23	**Details of payment to auditors (included in Professional and Consultancy Charges)**		
	As auditor:		
	Audit fee*^	36	40
	In other capacities:		
	Certification fees*	4	3
	Other services*	-	10
	Re-imbursement of expenses*#	3	2
	Total	**43**	**55**

* excluding taxes

^ Audit fees for the previous year ended 31 March 2020 includes ₹ 7 Lakhs paid to predecessor auditor

\# Re-imbursement of expenses for the previous year ended 31 March 2020 includes amounts paid to predecssor auditor

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
24 Corporate social responsibility expenditure		
As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:		
Gross amount required to be spent by the Company during the year	52	44
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above	52	44
Amounts pending to be spent	-	-
The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the criteria applicable. The Company has spent the gross amount towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc.		
25 Taxation		
25.1 Income tax expense		
25.1.1 Recognised in Statement of Profit and Loss		
Current Tax:		
In respect of the current year	557	792
Adjustments in respect of earlier years	-	55
	557	**847**
Deferred Tax:		
In respect of the current year	(26)	26
	(26)	**26**
Total income tax expense recognised in statement of profit and loss	**531**	**873**
25.1.2 Recognised in Other Comprehensive Income		
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	12	51
Total income tax recognised in other comprehensive income	**12**	**51**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	12	51
Total	**12**	**51**

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
25.1.3 Reconciliation of income tax		
The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 29.12%. A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :		
Profit before tax	2,128	1,818
Enacted income tax rate in India	29.12%	29.12%
Computed expected tax expense	**620**	**529**
Adjustment for non-deductible expenses		
- Provision for impairment of investments in subsidiary	-	354
- Others	15	36
Adjustment for additional deductions under Income Tax Act	(54)	(55)
Deferred Tax Asset relating to business acquisition during the year	-	(54)
Adjustment for Bad debts actually written off during the year	(20)	-
Taxes pertaining to earlier years	-	55
Allowance of expenses disallowed during previous year u/s 40(a)(ia)	(5)	-
Others	(25)	8
Total income tax expense recognised in the statement of profit and loss	**531**	**873**
25.2 Deferred Tax Balances		
The following is the analysis of the net deferred tax asset position as presented in the financial statements		
Deferred tax assets	1,012	1,297
Less: Deferred tax liabilities	46	53
Deferred tax asset (net)	**966**	**1,244**

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

Movement in the deferred tax balance :

Particulars	For the year ended 31 March 2021				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Compre-hensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	547	-	(17)	-	530
Employee Benefit Expenses	207	-	25	12	244
Provision for Expected Credit Loss on Financial Assets	38	-	(7)	-	31
Impact on account of ROU asset and lease liabilities	16	-	18	-	34
Fair valuation adjustments - Financial Assets	(53)	-	7	-	(46)
MAT credit	489	(316)	-	-	173
Deferred Tax Asset /(Liabilities)	**1,244**	**(316)**	**26**	**12**	**966**

Particulars	For the year ended 31 March 2020				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Compre-hensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	560	-	(13)	-	547
Employee Benefit Expenses	163	-	(7)	51	207
Provision for Expected Credit Loss on Financial Assets	6	-	32	-	38
Impact on account of ROU asset and lease liabilities	-	-	16	-	16
Fair valuation adjustments - Financial Assets	1	-	(54)	-	(53)
MAT credit	711	(222)	-	-	489
Deferred Tax Asset /(Liabilities)	**1,441**	**(222)**	**(26)**	**51**	**1,244**

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

26 Leases

The Company has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2019	1,758	-	1,758
Additions	126	687	813
Deletions	-	-	-
Depreciation*	(994)	(19)	(1,013)
Balance as at 31 March 2020	**890**	**668**	**1,558**
Balance as at 01 April 2020	890	668	1,558
Additions	1,428	-	1,428
Deletions	-	-	-
Depreciation*	(1,053)	(222)	(1,275)
Balance as at 31 March 2021	**1,265**	**446**	**1,711**

* The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities during the year ended:

Particulars	Buildings	Computers	Total
Balance as at 01 April 2019	1,758	-	1,758
Additions	125	687	812
Finance cost accrued during the year	131	5	136
Deletions	-	-	-
Payment of lease liabilities	(1,074)	(21)	(1,095)
Balance as at 31 March 2020	**940**	**671**	**1,611**
Balance as at 01 April 2020	940	671	1,611
Additions	1,428	-	1,428
Finance cost accrued during the year	160	48	208
Deletions	-	-	-
Payment of lease liabilities	(1,165)	(252)	(1,417)
Balance as at 31 March 2021	**1,363**	**467**	**1,830**

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	1,183	592
Non-current lease liabilities	647	1,019

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

(c) Amounts recognized in profit and loss were as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation Expenditure	1,275	1,013
Finance Cost on Lease Liabilitities	208	136

(d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Not later than 1 year	1,289	712
Later than 1 year and not later than 5 years	689	2,209
Later than 5 years	-	-

Note: The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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

27 Related party transactions

A. Names of related parties and related party relationships

Relationship*	Name of the related party
Ultimate Holding Company	Quess Corp Limited
Holding Company	Conneqt Business Solutions Limited
Fellow Subsidiaries	Simpliance Technologies Pvt Ltd
	MFX Infotech Private Limited
	Monster.Com (India) Private Limited
	Terrier Security Services (India) Private Limited
	QDigi Services limited
	Heptagon Technologies Private Limited
	Coachieve Solutions Pvt Ltd
	MFXchange US, Inc.
	Quessglobal (Malaysia) Sdn. Bhd.
	Vedang Cellular Services Private Limited
	Golden Star Facilities And Services Private Limited
	Greenpiece Landscapes India Private Limited
	Trimax Smart Infraprojects Private Limited
Related parties where control exists	Allsectech Inc., USA
Subsidiaries (Wholly owned)	Allsectech Manila Inc., Philippines
	Retreat Capital Management Inc., USA (Till 19 February 2021)
Entity in which key managerial personnel have significant influence	Careworks Foundation
Key management personnel	
Chief Executive Officer	Mr. Ashish Johri
Chief Financial officer	Mr. Raghunath P (w.e.f 19 June 2020)
Chief Financial officer	Mr. Nataraj Lakshmipathy (till 18 June 2020)
Company Secretary	Mr. Gagan Preet Singh
Directors	
Chairman of the Board of Directors	Mr. Ajit Abraham Isaac
Independent director	Mr. Sanjay Anandaram
Independent director	Mr. Milind Chalisgaonkar
Independent director	Ms. Lakshmi Sarada R
Non-executive Non-independent director	Mr. Krishna Suraj Moraje
Non-executive Non-independent director	Mr. Subramanian Ramakrishnan (till 31 March 2021)
Non-executive Non-independent director	Mr. Ravi Vishwanath Narayanaswamy (w.e.f 01 April 2021)

* Related Party relationships are as identified by the Management.

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
B. Transactions with related parties		
Income from services billed to		
Allsectech Inc., USA	1,265	367
Allsectech Manila Inc., Philippines	117	707
Quess Corp Limited	116	44
Conneqt Business Solutions Limited	35	15
Simpliance Technologies Pvt Ltd	26	12
Monster.Com (India) Private Limited	4	2
Heptagon Technologies Private Limited	-	1
Terrier Security Services (India) Private Limited	1	-
MFX Infotech Private Limited	4	-
MFXchange US, Inc.	522	-
Quessglobal (Malaysia) Sdn. Bhd.	4	-
Qdigi Services Limited	20	-
Purchase of capital goods		
MFX Infotech Private Limited	-	5
Terrier Security Services (India) Private Limited	1	-
Expense incurred for recruitment/professional/consulting/security/ AMC etc		
MFX Infotech Private Limited	190	4
Monster.Com (India) Private Limited	1	2
Simpliance Technologies Pvt Ltd	328	257
Quess Corp Limited	469	165
Terrier Security Services (India) Private Limited	154	110
Quessglobal (Malaysia) Sdn. Bhd.	71	19
QDigi Services limited	-	4
Heptagon Technologies Private Limited	-	5
Conneqt Business Solutions Limited	107	-
Allsectech Manila Inc., Philippines	1	-
Dividend paid to Holding company		
Conneqt Business Solutions Limited	-	396
Consideration paid towards business combination (Refer Note 36)		
Coachieve Solutions Pvt Ltd - HRO Stat Division	-	1,680
Provision for impairment of investment in subsidiary (Refer Note 37)		
Allsectech Inc., USA	-	1,214

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Reimbursement of expenses incurred by the company		
Allsectech Manila Inc., Philippines	-	33
Allsectech Inc., USA	-	7
Repayment of Borrowings (Refer Note 36)		
Quess Corp Limited	-	1,345
Expenses incurred on behalf of and recoverable from		
Quess Corp Limited	-	147
Payments made by holding company on behalf of the company		
Quess Corp Limited	-	15
Payments made towards Corporate Social Responsibility Expense		
Careworks Foundation	52	41
Digital & marketing support service		
Experienzing Consulting Solutions LLP	-	8
Remuneration and other benefits*		
Whole-time director (Jagadish R)	-	85
Chief Executive officer	111	59
Chief Financial Officer	74	57
Company Secretary	25	25
Non-whole-time directors	24	24

* Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

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

Particulars	As at March 31, 2021	As at March 31, 2020
C. Balances with related parties		
Investments in equity instruments of subsidiaries		
Allsectech Inc, USA	1,214	1,214
Allsectech Manila Inc., Philippines	1,020	1,020
Retreat Capital Management Inc., USA	-	1,307
Trade receivables		
Allsectech Inc., USA	168	134
Allsectech Manila Inc., Philippines	-	60
Quess Corp Limited	64	27
Conneqt Business Solutions Limited	13	12
Simpliance Technologies Pvt Ltd	5	16
MFXchange US, Inc.	41	-
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Qdigi Services Limited	3	-
MFX Infotech Private Limited	2	-
Monster.Com (India) Private Limited	1	-
Terrier Security Services (India) Private Limited	1	-
Trade Payable		
Simpliance Technologies Pvt Ltd	29	107
Terrier Security Services (India) Private Limited	-	3
Quess Corp Limited	24	65
Quessglobal (Malaysia) Sdn. Bhd.	-	2
QDigi Services limited	-	2
Conneqt Business Solutions Limited	6	-
Heptagon Technologies Private Limited	20	-
MFX Infotech Private Limited	6	-
Salaries payable to KMP	15	14
Directors' commission payable	17	13
Other financial assets		
Quess Corp Limited	18	147
Allsectech Inc.	9	3
MFXchange US, Inc.	41	-
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Simpliance Technologies Pvt Ltd	2	-
QDigi Services limited	1	-
Provision for expenses		
Conneqt Business Solutions Limited	38	-
MFX Infotech Private Limited	12	-
Quessglobal (Malaysia) Sdn. Bhd.	4	19
Quess Corp Limited	36	30
Terrier Security Services India Pvt Ltd	15	19

Particulars	As at March 31, 2021	As at March 31, 2020
The details of the maximum amount outstanding for the year ended 31 March 2021 are as follows:		
Investments made in subsidiaries		
Allsectech Inc, USA	1,214	1,214
Allsectech Manila Inc., Philippines	1,020	1,020
Retreat Capital Management Inc., USA	-	1,307

Notes:

(i) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2021, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.

(ii) Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

(iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

(iv) All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

28 Earnings per equity share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit after tax considered as numerator for calculating basic and diluted earnings per share	1,597	945
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	1,52,38,326	1,52,38,326
Nominal value of equity shares (in ₹)	10	10
Basic EPS (in ₹)	10.48	6.20
Diluted EPS (in ₹)	10.48	6.20

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the company not acknowledged as debt

The Company received a demand from the Tamil Nadu Electricity Board for an amount of ₹ 109 lakhs in January 2008 relating to reclassification disputes on the tariff category applicable to the Company in two of its delivery centers with retrospective effect from 2005. The Company has obtained an interim stay order from the Hon'ble High Court of Madras against this claim. The Company considers the claim to be erroneous and as not payable under the specified tariff category applicable to ITES units.

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(b) Commitments		
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	3	189

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

Particulars*	2020-2021	2019-2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

31 Employee Benefits

(a) Defined Contribution plans

The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	165	160
Contributions to provident funds	484	474

(b) Defined Benefit Plans:

The Company offers ‘Gratuity’ (Refer Note 20 Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company’s obligation towards its gratuity liability is a defined benefit plan.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

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

A) **Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

D) **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

E) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts.This may arise due to non availabilty of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2021. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement :

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**690**	**544**
Interest cost	39	32
Current service cost	61	61
Past service cost	-	-
Benefits paid	(56)	(99)
Actuarial loss	44	151
Present value of defined benefit obligation at the end of the year	**778**	**690**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**181**	**162**
Expected return	11	11
Contributions by the Company	81	104
Benefits paid and charges deducted	(66)	(99)
Actuarial gains	3	2
Fair value of plan assets at the end of the year	**210**	**181**
Net defined benefit obligation (deficit)	**568**	**509**
Current	**60**	**60**
Non-current	**508**	**449**

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amount recognised in profit or loss		
Current service cost	61	61
Past service cost	-	-
Interest cost	39	32
Expected return on planned assets	(11)	(11)
Provision for gratuity acquired as part of Business combination	-	(64)
Total amount recognised in profit or loss	**89**	**18**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	41	149
Total amount recognised in other comprehensive income	**41**	**149**
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	5.64%	5.94%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	39.00%	39.00%
- employees with service more than 5 years as at valuation date	1.50%	1.50%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

Particulars	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2021						
> Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
> Impact on defined benefit obligation	5	(6)	(84)	100	94	(83)
31 March 2020						
> Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
> Impact on defined benefit obligation	7	(9)	(76)	91	85	(75)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2022 is ₹ 60 lakhs. The weighted average duration of the defined benefit obligation is 12.70 years (31 March 2020: 13 years).

The expected benefit payments for the 10 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	5-10 years	Total
31 March 2021					
Defined benefit obligation	26	41	171	178	416
31 March 2020					
Defined benefit obligation	20	29	161	185	395

(c) Compensated Absences

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Included under 'Salaries and Bonus'	41	46

Particulars	As at March 31, 2021	As at March 31, 2020
(b) Net asset / (liability) recognised in the Balance Sheet	209	202
Current portion of the above	209	202
Non - current portion of the above	-	-

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2020 -2021	2019 -2020
Discount Rate (% p.a)	5.64%	5.94%
Future Salary Increase (% p.a)	5.00%	5.00%

32 Financial Instruments

32.1 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio :

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	16	40
Cash and Bank Balance	(3,876)	(3,846)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	**15,629**	**14,061**
Net Debt to equity ratio (A/B)	**- %**	**- %**

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

32.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2020 and 31 March 2019 is as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
(a) Financial Assets				
Measured at cost				
Investment in subsidiaries	1,020	1,020	1,020	1,020
Measured at fair value through P&L				
Current Investments	4,971	3,339	4,971	3,339
- Other financial assets	-	-	-	-
Measured at amortised cost				
- Cash and Bank balances	3,737	3,711	3,737	3,711
- Other Bank balances	139	135	139	135
- Trade receivables	3,450	3,344	3,450	3,344
- Other financial assets	2,007	1,752	2,007	1,752
	15,324	**13,301**	**15,324**	**13,301**
(b) Financial Liabilities :				
Measured at fair value through P&L				
- Other financial liabilities	-	81	-	81
Measured at amortised cost				
- Borrowings	1	18	1	18
- Trade Payables	1,642	1,856	1,642	1,856
- Lease Liabilities	1,830	1,611	1,830	1,611
- Other financial liabilities	15	22	15	22
	3,488	**3,588**	**3,488**	**3,588**

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/amortized cost

1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.

2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt

on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

3) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2021 was assessed to be insignificant.

Fair Value Hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2021 and 31 March 2020.

32.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2021				
Interest bearing*	1,198	648	-	1,846
Non-interest bearing	1,642	-	-	1,642
Total	**2,840**	**648**	**-**	**3,488**
31 March 2020				
Interest bearing	614	1,037	-	1,651
Non-interest bearing	1,937	-	-	1,937
Total	**2,551**	**1,037**	**-**	**3,588**

* Includes Lease liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2021				
Interest bearing	139	-	-	139
Non-interest bearing	13,569	596	1,020	15,185
Total	**13,708**	**596**	**1,020**	**15,324**
31 March 2020				
Interest bearing	135	-	-	135
Non-interest bearing	11,672	474	1,020	13,166
Total	**11,807**	**474**	**1,020**	**13,301**

(b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

(c) Market Risk :

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

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

Borrowings that existed as at 31 March 2020 are at fixed interest rates and hence the Company is not exposed to changes in market interest rates.

(c.2) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.

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

Particulars	Currency	As at 31 March 2021	As at 31 March 2020
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	USD	2,995	3,195
Financial Assets (Trade Receivables & Unbilled Revenue)	SGD	6	-
Trade Payables	EURO	-	1
Trade Payables	RM	4	2

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

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

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2020
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	300	300	319	319
SGD	1	1	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	300	300	319	319
SGD	1	1	-	-

Note :

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

32.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

32.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

33 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered:

Financial Assets/ Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	31-Mar-21	31-Mar-20		
Investments in Mutual Funds	4,971	3,339	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	51	(81)	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2021 and 31 March 2020.

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Company's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below:

Investments in mutual fund units (Level 1)

The mutual funds are valued using the closing NAV.

Foreign exchange forward contracts (Level 2)

The Company's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets

There are no non-financial assets that were measured at fair value on the reporting dates.

34 Capital management policies and procedures

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

35 Dividend

Interim Dividend of ₹ 15 per share on the equity share (150% of par value of ₹ 10 each) has been approved by the Board of Directors in its board meeting held on 29 April 2021 and will be paid during the financial year 2021-22.

36 Business combination

During the previous year, the Company acquired on a slump sale basis with effect from 30 September 2019 ,the assets and liabilities of HR Compliance business of Coachive Solutions Private Limited ('CSPL'), a subsidiary of Quess Corp Limited for a purchase consideration of ₹ 1,680 lakhs against the net liability of ₹ 746 lakhs (including inter-company loans). The Company accounted for the business combination in accordance with the requirements of Appendix C of Ind AS 103 'Business Combinations' which lays down the principles inrespect of accounting for business combinations of entities or businesses under common control. As required by the Standard, pooling of interests method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Company at their respective carrying amounts and an adjustment of ₹ 2,426 lakhs (debit) has been made to the capital reserve of the Company.

37 Provision for Impairment of investment in subsidiary

During the previous year ended 31 March 2020, the Company's subsidiary Allsectech Inc., USA incurred material losses due to non-renewal of a significant customer contract. In addition the subsidiary had accumulated losses primarily on account of the settlement of class action suits in the previous financial year. Accordingly, in line with the Company's policy the investment was tested by the management for impairment. The Company assessed the expected revenues, profitability, cash flows as also the business outlook for the financial year 2020-21 and beyond for the test of impairment. Based on such assessment, the Company concluded that the carrying value of the investments in this subsidiary would be impaired to the extent of the entire carrying value of ₹ 1,214 lakhs. Consequently, the Company has impaired the value of investments in Allsectech Inc, USA as at 31 March 2020 amounting to ₹ 1,214 lakhs and disclosed the same as exceptional item in Statement of Profit or Loss for the year ended 31 March 2020. During the current year, the management has performed an assessment of the impairment and considering the profitability, cash flows and business outlook, continued to retain the impairment provision.

Also, the provision for impairment of investment in Retreat Capital Management Inc., USA has been actually written off during the current year.

38 Note on COVID 19 assessment

In assessing the recoverability of receivables including unbilled receivables, intangible assets, and certain investments in the context of prevailing economic conditions on account of COVID-19, the Company has considered internal and external information up to the date of approval of these audited financial statements including credit reports and economic forecasts. Based on this analysis, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

39 Approval of Financial Statements

In connection with the preparation of the standalone financial statements for the year ended 31 March 2021, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have 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 standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on 26 May 2021 in accordance with the provisions of Companies Act, 2013.

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

ALLSEC TECHNOLOGIES LIMITED

Consolidated Financial Statements for the year ended March 31, 2021

Independent Auditor's Report

To the Members of Allsec Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Allsec Technologies Limited ("the Parent" or "the Company") and its subsidiaries, (the Parent / Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and 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, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report

S.No.	Key audit matter	Auditor's Response
1	**Revenue Recognition** Revenue from contracts with customers for the year ended 31 March 2021 is ₹ 27,669 lakhs. Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and or (2) the unit of work delivered multiplied by agreed rate in the contract with customers. These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above.	**Principal audit procedures performed:** We understood and evaluated the Company's process for recording and measuring revenues and compared that to the Company's accounting policies to ensure consistency. We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered. For a sample of contracts, we performed the following procedures:

S.No.	Key audit matter	Auditor's Response
	Revenue is recognised only based on customer acceptances for delivery of work. Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.	We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer. We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board of Directors report (but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual report is expected to be made available to us after that date.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities 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 also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Other Matters

We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of ₹ 13,322 Lakhs as at 31 March 2021, total revenues of ₹ 13,081 Lakhs and net cash inflows amounting to ₹ 2,407 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information 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 these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

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

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

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

    e) On the basis of the written representations received from the directors of the Parent as on 31 March 2021 taken on record by the Board of Directors of the Company none of the directors of the Company, is disqualified as on 31 March 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Company.

    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 Parent/ Holding 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Place: Hyderabad
Date: 26 May 2021
MM/BS/2021/24

C Manish Muralidhar
Partner
(Membership No. 213649)
Unique Identification Number: 21213649AAAACF2852

Annexure A to Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of Allsec Technologies Limited (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent'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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 Parent'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 to the best of our information and according to the explanations given to us, the Parent 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 2021, 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 **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
Unique Identification Number: 21213649AAAACF2852

Place: Hyderabad
Date: 26 May 2021
MM/BS/2021/24

Consolidated Balance Sheet

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

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3	730	880
	(b) Right of use asset (ROUA)	26	2,011	2,227
	(c) Other intangible assets	3	466	318
	(d) Intangible assets under development		134	15
	(e) Financial assets			
	(i) Other financial assets	5	766	659
	(f) Deferred tax assets (net)	25.2	966	1,244
	(g) Income tax assets (net)	6	737	1,347
	(h) Other non-current assets	7	6	5
	Total non-current assets		**5,816**	**6,695**
II	Current assets			
	(a) Financial assets			
	(i) Investments	4	4,971	3,339
	(ii) Trade receivables	8	4,203	4,502
	(iii) Cash and cash equivalents	9	14,862	12,420
	(iv) Bank balances other than cash and cash equivalents	10	139	135
	(v) Other financial assets	5	1,576	1,382
	(b) Other current assets	7	377	446
	Total current assets		**26,128**	**22,224**
	Total Assets (I + II)		**31,944**	**28,919**
B	**EQUITY AND LIABILITIES**			
III	**Equity**			
	(a) Equity share capital	11	1,524	1,524
	(b) Other equity	12	24,988	21,283
	Total equity		**26,512**	**22,807**
IV	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	13	1	18
	(ii) Lease liabilities	26	647	1,311
	(b) Provisions	15	621	449
	Total non-current liabilities		**1,269**	**1,778**
V	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		2	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,952	2,463
	(ii) Lease liabilities	26	1,517	1,013
	(iii) Other financial liabilities	14	15	103
	(b) Other current liabilities	17	344	350
	(c) Provisions	15	269	262
	(d) Current tax liabilities (net)	18	64	143
	Total current liabilities		**4,163**	**4,334**
	Total liabilities (IV + V)		**5,432**	**6,112**
	TOTAL EQUITY AND LIABILITIES		**31,944**	**28,919**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

	Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I	Revenue from Operations	19	27,669	29,444
II	Other income	20	364	409
III	**Total income (I + II)**		**28,033**	**29,853**
IV	**Expenses**			
	Employee benefits expense	21	15,351	17,073
	Finance costs	22	244	226
	Depreciation and amortisation expense	3	2,339	1,990
	Other expenses	23	5,728	4,844
	Total expenses		**23,662**	**24,133**
V	**Profit before exceptional items and tax (III - IV)**		**4,371**	**5,720**
VI	**Exceptional items**		-	-
VII	**Profit before tax**		**4,371**	**5,720**
VIII	**Tax expense**			
	(a) Current tax	25.1	885	1,200
	(b) Deferred tax	25.2	(26)	27
			859	**1,227**
IX	**Profit for the Year**		**3,512**	**4,493**
X	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of the defined benefit liability - loss		(45)	(149)
	- Income tax relating to above items		12	51
			(33)	**(98)**
	Items that will be reclassified subsequently to profit or loss			
	Exchange differences on translation of foreign operations		226	893
			226	**893**
	Total other comprehensive income for the year		**193**	**795**
XI	**Total comprehensive income for the year**		**3,705**	**5,288**
	Profit for the year attributable to			
	Equity holders of the company		3,512	4,493
	Non- controlling interest		-	-
	Other comprehensive income attributable to			
	Equity holders of the company		193	795
	Non- controlling interest		-	-
	Total comprehensive income for the year attributable to			
	Equity holders of the company		3,705	5,288
	Non- controlling interest		-	-
XII	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		23.05	29.48
	(b) Diluted (in ₹)		23.05	29.48

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	4,371	5,720
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	2,339	1,990
Unrealized foreign exchange loss	591	251
Loss on sale of property, plant and equipment (net)	(10)	(2)
Provision for loss allowances	49	16
Finance costs	244	226
Net gain arising on current investments not designated as at Fair Value through Profit or Loss	(157)	(158)
Profit on redemption of current investments	(35)	(199)
Interest Income		
- on fixed deposits	(9)	(11)
- income tax refund	(140)	-
Operating Profit before Working Capital and Other Changes	**7,243**	**7,833**
Working capital adjustments:		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	217	(270)
Other financial assets	(180)	76
Other assets	68	(3)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(509)	1,153
Other financial liabilities	(81)	848
Other liabilities	(6)	(251)
Provisions	136	(167)
Cash Generated from Operations	**6,888**	**9,219**
Net income tax (refunded) / paid	94	(1,667)
Net cash generated from operating activities (A)	**6,982**	**7,552**

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
B. Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(785)	(311)
Proceeds from sale of property, plant and equipment	66	19
Consideration towards business acquisition	-	(1,680)
(Purchase) / Sale of current investments (net)	(1,440)	4,543
Interest received on fixed deposits	16	35
Net Cash Flow From / (Used in) Investing Activities (B)	**(2,143)**	**2,606**
C. Cash Flow Used in Financing Activities		
Repayment of Borrowings	(24)	(1,379)
Repayment of lease liabilities	(1,664)	(1,343)
Interest paid	(244)	(226)
Dividend paid (including dividend distribution tax)	-	(1,831)
Net Cash Flow used in Financing Activities (C)	**(1,932)**	**(4,779)**
Net increase in cash and cash equivalents (A + B + C)	**2,907**	**5,379**
Cash taken over on business acquisition	-	130
Effect of exchange differences on cash & cash equivalents held in foreign currency	(465)	(253)
Cash and cash equivalents at the beginning of the year	12,420	7,164
Cash and cash equivalents at the end of the year	**14,862**	**12,420**
Components of cash and cash equivalents (Refer Note 9)		
Cash on hand	-	5
Balance with banks in current accounts	14,862	12,415
Total cash and cash equivalents	**14,862**	**12,420**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

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

A. Equity share capital

Amount

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at beginning of the year	1,524	1,524
Changes in equity share capital during the year	-	-
Closing Balance	**1,524**	**1,524**

B. Other equity

	Reserves and surplus				Other reserves	Total
	General reserve	Retained earnings	Capital reserve	Securities premium reserve	Foreign currency translation reserve	
Balances at 01 April 2019	**1,413**	**6,605**	**251**	**12,019**	**(32)**	**20,255**
Dividends	-	(1,524)	-	-	-	(1,524)
Dividend distribution tax	-	(310)	-	-	-	(310)
Profit for the year	-	4,493	-	-	-	4,493
Business combination reserve (Refer Note 39)	-	-	(2,426)	-	-	(2,426)
Remeasurement of defined benefits plan (net of taxes)	-	(98)	-	-	-	(98)
Exchange differences on translation of foreign operations	-	-	-	-	893	893
Balance at 31 March 2020	**1,413**	**9,165**	**(2,175)**	**12,019**	**861**	**21,283**
Profit for the year	-	3,512	-	-	-	3,512
Remeasurement of defined benefits plan (net of taxes)	-	(33)	-	-	-	(33)
Exchange differences on translation of foreign operations	-	-	-	-	226	226
Balance at 31 March 2021	**1,413**	**12,644**	**(2,175)**	**12,019**	**1,087**	**24,988**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

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Place: Bengaluru

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai

1 General Information

Allsec Technologies Limited ('Allsec' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Digital Business Services (DBS) and Human Resource Outsourcing (HRO) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centers, customer services and HR and payroll processing. The Company has delivery centers at Chennai, Bengaluru and NCR. The Company, together with it subsidiaries is hereinafter referred to as "the Group".

Application of revised Ind AS

Statement of Compliance

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Recent Accounting Pronouncements:

(i) Amendments to Ind AS 1 and Ind AS 8 – Definition of "material":

The Group has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(ii) Amendments to Ind AS 116 – COVID-19 related rent concessions:

The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

(c) There is no substantive change to other terms and conditions of the lease.

The Group did not get any rent concessions from the lessor during the current year.

(iii) Amendments to Ind AS 103 - Definition of a business:

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020.

The Group has evaluated the effect of this amendment on financial statements and concluded that it is currently not applicable.

(iv) Amendments to Ind AS 109 and 107 - Interest Rate Benchmark Reform:

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The Group has evaluated the effect of this amendment on financial statements and concluded that it is currently not applicable.

Amendment to Schedule III of the Companies Act, 2013

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and II of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which related to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head "financial liabilities", duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law."

Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020.The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of theCode when it comes into effect and will record any related impact in the period when the Code becomes effective.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs).

The financial statements of subsidiaries are consolidated on a line by line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

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

S.No.	Name of the Subsidiry	Country of Incorporation	Relationship	Effective Ownership Interest as at 31 March 2021	Effective Onwership Interest as at 31 March 2020
1	Allsectech Mania Inc.,	Philippines	Subsidiary	100%	100%
2	Allsectech Inc., USA	USA	Subsidiary	100%	100%
3	Retreat Capital Management Inc., USA	USA	Subsidiary	100%	100%

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

2.4 Cash flow statement

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

2.5 Revenue from contracts with customers

The Group derives revenues primarily from services comprising the DBS and HRO services for customer in India and outside India. Effective 01 April 2018, the Group has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the significant accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Group follows a 5-step process:

1 Identifying the contract with customer

2 Identifying the performance obligations

3 Determining the transaction price

4 Allocating the transaction price to the performance obligations

5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the group expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and -material basis.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Group has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.

2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as “Capital Advances” under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under “Capital Work- in- Progress”.

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows:

Asset Description	Useful lives followed by the Company (Years)	Useful lives (Years) prescribed under Schedule II to the Companies Act, 2013
Computers and servers	3 - 10	3
Call Centre Equipments	3 - 10	15
Furniture and fixtures	3 - 10	10
Office Equipment	5	5
Vehicles – Motor Cars	3 - 5	8

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period (3 – 4 years), whichever is less.

The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management’s assessment and technical advise, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

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

2.8 Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lite and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are depreciated using the straight-line method over a period based on management's estimate of useful lives of such software of 4 years, or over the license period of the software, whichever is shorter.

Derecognition of intangible assets

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

2.9 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line item in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets is presented as a separate line item in the balance sheet.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

2.11 Foreign currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

2.12 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1Financial Assets

(a) Recognition and initial measurement

(i) The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

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

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized 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.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

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

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

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

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

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

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

Forward contracts

The group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, 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. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

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

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Group makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

2.14 Earnings per equity share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate."

2.15 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

MAT Credit Entitlement:

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax for the period :

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.16 Contingent liabilities, Contingent Assets and Provisions

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

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

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

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2.17 Segment Reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by the Group's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.18 Goods and Service Tax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.19 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.20 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.21 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods."

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits"

Determination of functional and presentation currency:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Group. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.

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

3 Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment							Other Intangible assets - Computer software
	Computers and servers	Call centre equipment	Furniture and fittings	Office equipment	Vehicles	Leasehold improvements	Total	
Gross block								
Balance as at 01 April 2019	680	533	212	250	332	186	2,193	631
Additions	165	18	33	45	-	5	266	122
Assets acquired as part of business combination	24	-	1	7	-	1	33	-
Disposals	-	-	-	(1)	(108)	-	(109)	(7)
Foreign exchange fluctuation	25	-	-	-	-	-	25	-
Balance as at 31 March 2020	**894**	**551**	**246**	**301**	**224**	**192**	**2,408**	**746**
Additions	137	62	1	35	-	128	363	302
Disposals	-	-	-	(23)	(147)	-	(170)	-
Foreign exchange fluctuation	64	-	-	-	-	-	64	-
Balance as at 31 March 2021	**1,095**	**613**	**247**	**313**	**77**	**320**	**2,665**	**1,048**
Accumulated depreciation/ amortisation and impairment								
Balance as at 01 April 2019	338	275	166	98	144	149	1,170	333
Depreciation/amortisation expense for the year	220	88	17	44	65	15	449	102
Reversal on sale of assets	-	-	-	(1)	(91)	-	(92)	(7)
Foreign exchange fluctuation	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**558**	**363**	**183**	**141**	**119**	**164**	**1,528**	**428**
Depreciation/amortisation expense for the year	256	83	11	51	32	32	465	154
Reversal on sale of assets	-	-	-	(23)	(88)	(3)	(114)	-
Foreign exchange fluctuation	**56**	**-**	**-**	**-**	**-**	**-**	**56**	**-**
Balance as at 31 March 2021	**870**	**446**	**194**	**169**	**63**	**193**	**1,935**	**582**
Net block								
Balance as at 31 March 2020	**336**	**188**	**63**	**160**	**105**	**28**	**880**	**318**
Balance as at 31 March 2021	**225**	**167**	**53**	**144**	**14**	**127**	**730**	**466**

Note: 1. Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of Property, Plant and Equipment	465	449
Amortisation of Other intangible assets	154	102
Depreciation of Right of use asset (Refer Note 26(c))	1,720	1,439
Total	**2,339**	**1,990**

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

	Particulars	As at March 31, 2021	As at March 31, 2020
4	**Investments**		
	Current (Quoted)		
	Investments carried at fair value through profit and loss		
	Investment in mutual funds	4,971	3,339
	Total current investments	**4,971**	**3,339**
	Aggregate amount of quoted investments and market value thereof	4,971	3,339
	Aggregate book value of investments	4,971	3,339
	Aggregate amount of impairment in the value of investments	-	-

Details of investment in mutual funds

Name of Mutual fund	Number of Units*		Carrying Value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Hdfc Floating Rate Debt Fund - Growth	13,38,487	13,38,486	508	470
HDFC Money Market Fund – Growth	10,186	10,186	450	426
ICICI Prudential Savings Fund - Growth	1,27,588	1,07,765	531	417
Kotak Money Market Scheme - Growth	13,436	13,436	466	443
Kotak Liquid Regular Plan Growth	14,607	14,607	605	584
UTI Liquid Cash Plan - Regular Growth Plan	4,399	4,399	148	142
UTI Money Market Fund - Regular Growth Plan	18,838	18,838	447	424
Baroda Liquid Fund - Plan B Growth	-	18,904	-	433
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	10,52,869	-	403	-
HDFC Ultra Short Term Fund – Direct Growth	25,50,008	-	304	-
HDFC Ultra Short Term Fund – Regular Growth	8,63,090	-	102	-
ICICI Prudential Savings Fund - DP - Growth	71,632	-	301	-
Kotak Banking and PSU Debt Fund - Growth (Regular Plan)	5,98,776	-	301	-
Kotak Money Market Fund - Direct Plan - Growth	5,862	-	204	-
UTI Money Market Fund - Direct Growth Plan	8,386	-	201	-
			4,971	**3,339**

* No of units are in absolute numbers

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

		As at March 31, 2021	As at March 31, 2020
5	**Other financial assets**		
	Non-current		
	Security deposits		
	- Unsecured, considered good	681	656
	- Doubtful	-	-
	Advance towards rental of lease premises	84	
	Others	1	3
	Total	**766**	**659**
	Current		
	Foreign currency forward contracts receivable	51	-
	Unbilled revenue	1,515	1,157
	Other advances	10	225
	Total	**1,576**	**1,382**
6	**Non-current tax asset**		
	Advance Taxes (Net of Provision for taxes)	737	1,347
	Total	**737**	**1,347**
7	**Other assets**		
	Non current		
	Prepaid expenses	5	5
	Others	1	-
		6	**5**
	Current		
	Prepaid expenses	296	250
	Advance to suppliers	1	40
	Others	80	156
	Total	**377**	**446**
8	**Trade receivables**		
	Receivables considered good, Secured	-	-
	Receivables considered good, Unsecured	4,203	4,502
	Doubtful	109	129
	Sub-total	**4,312**	**4,631**
	Less : Loss allowance	(109)	(129)
	Total	**4,203**	**4,502**

8.1 Credit period and risk

The average credit period for the services rendered:

(a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 7 days to 90 days. (31 March 2020: Ranging from 45 days to 90 days)

(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 7 days to 180 days. (31 March 2020: Ranging from 7 days to 180 days)

Of the trade receivable balance as at March 31, 2021, ₹ 501 lakhs (As at March 31, 2020: ₹ 641 lakhs) are due from one of the Company's customers having more than 10% of the total outstanding trade receivable balance.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

8.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information.

Age of receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Domestic Customers:		
(i) Within Credit period	2,011	1,744
(ii) 0 - 1 year	789	730
(iii) 1 - 2 years	70	109
(iv) 2 - 3 years	-	-
(v) More than 3 years	-	-
Sub-total (A)	**2,870**	**2,583**
International Customers:		
(i) Within Credit period	1,285	1,766
(ii) 0 - 1 year	157	281
(iii) 1 - 2 years	-	-
(iv) 2 - 3 years	-	-
(v) More than 3 years	-	-
Sub-total (B)	**1,442**	**2,047**
Grand Total (A + B)	**4,312**	**4,631**

Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the group's cash management process and can be recovered on demand by the Company. Accordingly, no provision has been considered necessary.

With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

8.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

	Particulars	As at March 31, 2021	As at March 31, 2020
	Balance at beginning of the year	129	20
	Add: Allowance towards Expected credit loss provided during the year	49	121
	Less: Allowances written off during the year	69	12
	Balance at end of the year	**109**	**129**
9	**Cash and cash equivalents**		
	(a) Cash on hand	-	5
	(b) Balance with banks*	14,862	12,415
	Total	**14,862**	**12,420**
	* Balance with banks as at 31 March 2021 and 31 March 2020 include restricted bank balances of ₹ 5 lakhs each. The restricted balances pertains to unclaimed dividend / unpaid dividends.		
10	**Bank balances other than cash and cash equivalents**		
	Balances with bank held as margin money*	139	135
	Total	**139**	**135**
	* Margin money deposits are provided as security against guarantee.		

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
11 Equity share capital				
Authorised				
Equity shares of ₹ 10/- each	2,00,00,000	2,000	2,00,00,000	2,000
Convertible preference shares of ₹ 100/- each	13,50,000	1,350	13,50,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each fully paid up	1,52,38,326	1,524	1,52,38,326	1,524
Total	**1,52,38,326**	**1,524**	**1,52,38,326**	**1,524**

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

Equity shares of ₹ 10/- each fully paid

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Saravanan A *	-	-	3,80,958	2.50%
Jagadish R *	-	-	3,80,958	2.50%
Conneqt Business Solutions Limited	1,11,82,912	73.39%	1,11,82,912	73.39%

* Ceased to be promoters w.e.f 25 August 2020

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued persuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2021.

	Particulars	As at March 31, 2021	As at March 31, 2020
12	**Other equity**		
a)	**Securities premium (Refer Note 12.1 below)**		
	Balance at the beginning of the year	12,019	12,019
	Add : Additions made during the year	-	-
	Balance at the end of the year	**12,019**	**12,019**
b)	**Capital reserve (Refer Note 12.2 below)**		
	Balance at the beginning of the year	(2,175)	251
	Add : Additions made during the year (Refer Note 39)	-	(2,426)
	Balance at the end of the year	**(2,175)**	**(2,175)**
c)	**General reserve (Refer Note 12.3 below)**		
	Balance at the beginning of the year	1,413	1,413
	Add : Additions made during the year	-	-
	Balance at the end of the year	**1,413**	**1,413**
d)	**Retained earnings (Refer Note 12.4 below)**		
	Balance at the beginning of the year	9,165	6,605
	Less: Dividends (Refer Note 38)	-	(1,524)
	Less: Dividend distribution tax	-	(310)
	Add : Profit attributable to owners of the Company	3,512	4,493
	Add : Remeasurement of defined benefits plan (net of taxes)	(33)	(98)
	Balance at the end of the year	**12,644**	**9,165**
e)	**Foreign currency translation reserve**		
	Balance at the beginning of the year	861	(32)
	Add : Transfer from other comprehensive income	226	893
	Balance at the end of the year	**1,087**	**861**
	Total	**24,988**	**21,283**

Notes:

12.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

12.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently. Addition during the previous year 31 March 2020 of ₹ 2,426 lakhs represents reserve arising on business combination, recognised on acquisition of the statutory compliance business from Coachieve (Also Refer Note 39).

12.3: This represents appropriation of profit by the Company.

12.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

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

Particulars	As at March 31, 2021	As at March 31, 2020
13 Borrowings		
Non-current		
From banks		
(i) Finance lease obligation (Secured) #	1	18
Total	**1**	**18**

Finance lease from HDFC Bank - Secured

Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2021	Repayment Terms	As at 31 March 2021
Ranging between 36 - 60	Ranging between 8% - 10%	91	Principal Quarterly, Interest Monthly	16
Less: Current maturities of long-term borrowings (Refer Note 14)				**15**
Long term Borrowings				**1**

Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31 March 2020	Repayment Terms	As at 31 March 2020
Ranging between 36 - 60	Ranging between 8% - 10%	195	Principal Quarterly, Interest Monthly	40
Less: Current Maturities of long-term borrowings (Refer Note 14)				**22**
Long term Borrowings				**18**

\# Finance lease obligations are secured by hypothecation of the respective vehicles acquired on hire purchase and carry an interest rate of 8%-10% p.a (31 March 2020: 8%-10% p.a) with repayment term ranging from 3 to 5 years.

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

	Particulars	As at March 31, 2021	As at March 31, 2020
14	**Other financial liabilities**		
	Current		
	Current maturities of finance lease obligations (Refer note 13)	15	22
	Foreign currency forward contracts	-	81
	Total	**15**	**103**
15	**Provisions**		
	Non-current		
	Gratuity	621	449
	Total	**621**	**449**
	Current		
	Gratuity	60	60
	Compensated absences*	209	202
	Total	**269**	**262**
	* The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.		
16	**Trade payables**		
	- Other than Acceptances (Refer Note 30)		
	- Dues of Micro Enterprises and Small Enterprises	2	-
	- Dues of Creditors Other than Micro Enterprises and Small Enterprises	1,952	2,463
	Total	**1,954**	**2,463**
17	**Other current liabilities**		
	Advances from customers	28	32
	Statutory dues	311	313
	Unclaimed dividend	5	5
	Total	**344**	**350**
18	**Current tax liabilities (Net)**		
	Provison for Income taxes (Net of Advance Tax)	64	143
	Total	**64**	**143**

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

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
19	**Revenue from operations**		
	Revenue from Services*:		
	A. Digital Business Services (DBS)		
	(i) International	11,871	12,833
	(ii) Domestic	5,970	7,199
	B. Human Resource Outsourcing (HRO)		
	(i) International	2,110	1,866
	(ii) Domestic	7,718	7,546
	Total	**27,669**	**29,444**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Group believes that this dissaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and Unbilled Revenue

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Receivables, which are included in 'Trade and other receivables'	4,203	4,502
Unbilled Revenue	1,515	1,157

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Group recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

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

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
20	**Other income**		
	Interest Income		
	- on fixed deposits	9	11
	- income tax refund	140	-
	Net gain arising on Financial Assets designated as at Fair Value through Profit or Loss	170	197
	Profit on redemption of current investments	35	199
	Profit on sale of property, plant and equipment (net)	10	2
	Total	**364**	**409**
21	**Employee benefits expense**		
	Salaries, wages and bonus	13,887	15,554
	Contribution to provident fund and other funds	980	865
	Staff welfare expenses	484	654
	Total	**15,351**	**17,073**
22	**Finance costs**		
	Interest expense		
	(i) Interest on finance lease obligations	2	5
	(ii) Interest on loans from related parties	-	27
	(iii) Increase accrued on lease liabilities	242	189
	(iv) Others	-	5
	Total	**244**	**226**

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

		Year ended March 31, 2021	Year ended March 31, 2020
23	**Other expenses**		
	Professional and Consultancy Charges	1,925	1,086
	Travelling and Conveyance	172	467
	Power and Fuel	531	701
	Rent	239	289
	Repairs and maintenance		
	-Machinery	439	425
	-Others	547	496
	Insurance expenses	29	49
	Fees, rates and taxes	69	134
	Sales and marketing expenses	117	91
	Communication charges	193	155
	Connectivity cost	463	414
	Security charges	247	282
	Bank charges	21	19
	Allowance for Expected Credit Losses	49	16
	Bad Receivables Written off	69	12
	Less: Release of allowance for expected credit losses	(69)	(12)
		-	-
	Corporate social responsibility expenditure (Refer note 24)	52	44
	Directors' sitting fees	7	11
	Directors' commission	17	13
	Loss on sale of property, plant and equipment (net)	-	-
	Net loss on foreign currency transaction and translation	448	13
	Miscellaneous expenses	163	139
	Total	**5,728**	**4,844**
24	**Corporate social responsibility expenditure**		
	As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:		
	Gross amount required to be spent by the Company during the year	52	44
	Amount spent during the year		
	(i) Construction or acquisition of any asset	-	-
	(ii) On purpose other than (i) above	52	44
	Amounts pending to be spent	-	-
	The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the criteria applicable. The Company has spent the gross amount towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc.		

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
25 Taxation		
25.1 Income tax expense		
25.1.1 Recognised in Statement of Profit and Loss		
Current Tax:		
In respect of the current year	885	1,145
Adjustments in respect of earlier years	-	55
	885	**1,200**
Deferred Tax:		
In respect of the current year	(26)	27
	(26)	**27**
Total income tax expense recognised in statement of profit and loss	**859**	**1,227**
25.1.2 Recognised in Other Comprehensive Income		
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	12	51
Total income tax recognised in other comprehensive income	**12**	**51**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss	12	51
Total	**12**	**51**

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
25.1.3 Reconciliation of income tax		
The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 29.12% (2019-20: 29.12%) and the reported tax expense in profit or loss are as follows:		
Profit before tax	4,371	5,720
Enacted income tax rate in India	29.12%	29.12%
Computed expected tax expense	**1,273**	**1,666**
Adjustment for non-deductible expenses		
-Others	15	36
Adjustment for additional deductions under Income Tax Act	(54)	(55)
Deferred Tax Asset relating to business acquisition during the year	-	(54)
Taxes pertaining to earlier years	-	55
Adjustment for Bad debts actually written off during the year	(20)	-
Allowance of expenses disallowed during previous year u/s 40(a)(ia)	(5)	-
Difference in overseas tax rates	(469)	(855)
Savings in tax on account of losses incurred by subsidiaries in US	144	426
Others	(25)	8
Total income tax expense recognised in the statement of profit and loss	**859**	**1,227**
25.2 Deferred Tax Balances		
The following is the analysis of the net deferred tax asset position as presented in the financial statements		
Deferred tax assets	1,012	1,297
Less: Deferred tax liabilities	46	53
Deferred tax asset (net)	**966**	**1,244**

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

Movement in the deferred tax balance :

	For the year ended 31 March 2021				
Particulars	**Opening Balance**	**MAT credit utilisation**	**Recognised in Profit or Loss**	**Recognised in Other Compre-hensive Income**	**Closing Balance**
Depreciation on Property, Plant and Equipment	547	-	(10)	-	537
Employee Benefit Expenses	207	-	18	12	237
Provision for Expected Credit Loss on Financial Assets	38	-	(6)	-	32
Impact on account of ROU asset and lease liabilities	16	-	17	-	33
Fair valuation adjustments - Financial Assets	(53)	-	7	-	(46)
MAT credit	489	(316)	-	-	173
Deferred Tax Asset /(Liabilities)	**1,244**	**(316)**	**26**	**12**	**966**

	For the year ended 31 March 2020				
Particulars	**Opening Balance**	**MAT credit utilisation**	**Recognised in Profit or Loss**	**Recognised in Other Compre-hensive Income**	**Closing Balance**
Depreciation on Property, Plant and Equipment	560	-	(13)	-	547
Employee Benefit Expenses	163	-	(7)	51	207
Provision for Expected Credit Loss on Financial Assets	6	-	32	-	38
Impact on account of ROU asset and lease liabilities	-	-	16	-	16
Fair valuation adjustments - Financial Assets	1	-	(54)	-	(53)
MAT credit	711	(222)	-	-	489
Deferred Tax Asset /(Liabilities)	**1,441**	**(222)**	**(26)**	**51**	**1,244**

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

26 Leases

The Company has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2020	1,559	668	2,227
Additions	1,504	-	1,504
Deletions	-	-	-
Depreciation*	(1,498)	(222)	(1,720)
Balance as at 31 March 2021	**1,565**	**446**	**2,011**

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2019	2,853	-	2,853
Additions	126	687	813
Deletions	-	-	-
Depreciation*	(1,420)	(19)	(1,439)
Balance as at 31 March 2020	**1,559**	**668**	**2,227**

* The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	Buildings	Computers	Total
Balance as at 01 April 2020	1,653	671	2,324
Additions	1,504	-	1,504
Finance cost accrued during the year	194	48	242
Deletions	-	-	-
Payment of lease liabilities	(1,654)	(252)	(1,906)
Balance as at 31 March 2021	**1,697**	**467**	**2,164**

The following is the movement in lease liabilities during the year ended 31 March 2020:

Particulars	Buildings	Computers	Total
Balance as at 01 April 2019	2,853	-	2,853
Additions	126	687	813
Finance cost accrued during the year	183	5	188
Deletions	-	-	
Payment of lease liabilities	(1,509)	(21)	(1,530)
Balance as at 31 March 2020	**1,653**	**671**	**2,324**

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

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	1,517	1,013
Non-current lease liabilities	647	1,311

(c) Amounts recognized in profit and loss were as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation Expenditure	1,720	1,439
Finance Cost on Lease Liabilitities	242	188

(d) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at 31 March 2021	As at 31 March 2020
Not later than 1 year	1,741	1,163
Later than 1 year and not later than 5 years	994	1,413
Later than 5 years	-	-

Note: The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

27 Related party transactions

A. Names of related parties and related party relationships

Relationship*	Name of the related party
Ultimate Holding Company	Quess Corp Limited
Holding Company	Conneqt Business Solutions Limited
Fellow Subsidiaries	Simpliance Technologies Pvt Ltd
	MFX Infotech Private Limited
	Monster.Com (India) Private Limited
	Terrier Security Services (India) Private Limited
	QDigi Services limited
	Heptagon Technologies Private Limited
	Coachieve Solutions Pvt Ltd
	MFXchange US, Inc.
	Quessglobal (Malaysia) Sdn. Bhd.
	Vedang Cellular Services Private Limited
	Golden Star Facilities And Services Private Limited
	Greenpiece Landscapes India Private Limited
	Trimax Smart Infraprojects Private Limited
Entity in which key managerial personnel have significant influence	Careworks Foundation
Key management personnel	
Chief Executive Officer	Mr. Ashish Johri
Chief financial officer	Mr. Raghunath P (from 19 June 2020)
Chief financial officer	Mr. Nataraj Lakshmipathy (till 18 June 2020)
Company Secretary	Mr. Gagan Preet Singh
Directors	
Chairman of the Board of Directors	Mr. Ajit Abraham Isaac
Independent director	Mr. Sanjay Anandaram
Independent director	Mr. Milind Chalisgaonkar
Independent director	Ms. Lakshmi Sarada R
Non-executive Non-independent director	Mr. Subramanian Ramakrishnan (till 31 March 2021)
Non-executive Non-independent director	Mr. Krishna Suraj Moraje
Non-executive Non-independent director	Mr. Ravi Vishwanath (w.e.f. 01 April 2021)

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
B. Transactions with related parties		
Income from services billed to		
Quess Corp Limited	116	44
Conneqt Business Solutions Limited	35	15
Simpliance Technologies Pvt Ltd	26	12
Monster.Com (India) Private Limited	4	2
Heptagon Technologies Private Limited	-	1
Terrier Security Services (India) Private Limited	1	-
MFX Infotech Private Limited	4	-
MFXchange US, Inc.	522	-
Quessglobal (Malaysia) Sdn. Bhd.	4	-
Qdigi Services Limited	20	-
Purchase of capital goods		
MFX Infotech Private Limited	-	5
Terrier Security Services (India) Private Limited	1	-
Expense incurred for recruitment/professional/consulting/security/ AMC etc		
MFX Infotech Private Limited	190	4
MFXchange US, Inc	137	131
Monster.Com (India) Private Limited	1	2
Simpliance Technologies Pvt Ltd	328	257
Quess Corp Limited	469	165
Terrier Security Services (India) Private Limited	154	110
Quessglobal (Malaysia) Sdn. Bhd.	71	19
QDigi Services limited	-	4
Heptagon Technologies Private Limited	-	5
Conneqt Business Solutions Limited	107	-
Dividend paid to Parent company		
Conneqt Business Solutions Limited	-	396
Consideration paid towards business combination (Refer Note 39)		
Coachieve Solutions Pvt Ltd - HRO Stat Division	-	1,680
Repayment of Borrowings (Refer Note 39)		
Quess Corp Limited	-	1,345
Expenses incurred on behalf of and recoverable from		
Quess Corp Limited	-	147

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Payments made by holding company on behalf of the company		
Quess Corp Limited	-	15
Loan issued to fellow subsidiary		
MFXchange US, Inc	-	708
Loan recovered from fellow subsidiary		
MFXchange US, Inc	-	708
Interest Income on Loan		
MFXchange US, Inc	-	5
Payments made towards Corporate Social Responsibility Expense		
Careworks Foundation	52	41
Remuneration*		
Whole-time director (Jagadish R)	-	85
Director (Saravanan A)	-	17
Chief Executive officer	111	59
Chief financial officer	74	57
Company Secretary	25	25
Non-whole-time directors	24	24
Digital & marketing support service		
Experienzing Consulting Solutions LLP	-	28

* Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

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

Particulars	As at March 31, 2021	As at March 31, 2020
C. Balances with related parties		
Trade receivables		
Quess Corp Limited	64	27
Conneqt Business Solutions Limited	13	12
Simpliance Technologies Pvt Ltd	5	16
MFXchange US, Inc.	41	-
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Qdigi Services Limited	3	-
MFX Infotech Private Limited	2	-
Monster.Com (India) Private Limited	1	-
Terrier Security Services (India) Private Limited	1	-
Trade Payable		
Simpliance Technologies Pvt Ltd	29	107
Terrier Security Services (India) Private Limited	-	3
Quess Corp Limited	24	65
Quessglobal (Malaysia) Sdn. Bhd.	-	2
QDigi Services limited	-	2
Conneqt Business Solutions Limited	6	-
Heptagon Technologies Private Limited	20	-
MFX Infotech Private Limited	6	-
Salaries payable to KMP	15	14
Directors' commission payable	17	13

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

Particulars	As at March 31, 2021	As at March 31, 2020
Other financial assets including Unbilled Revenue		
Quess Corp Limited	18	147
MFXchange US, Inc.	41	-
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Simpliance Technologies Pvt Ltd	2	-
QDigi Services limited	1	-
Provision for expenses		
Conneqt Business Solutions Limited	38	-
MFX Infotech Private Limited	12	-
Quessglobal (Malaysia) Sdn. Bhd.	4	19
Quess Corp Limited	36	30
Terrier Security Services India Pvt Ltd	15	19

Notes:

(i) The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2021, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.

(ii) Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

(iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

(iv) All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
28	**Earnings per equity share**		
	Profit after tax considered as numerator for calculating basic and diluted earnings per share	3,512	4,493
	Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	1,52,38,326	1,52,38,326
	Nominal value of equity shares (in ₹)	10	10
	Basic EPS (in ₹)	23.05	29.48
	Diluted EPS (in ₹)	23.05	29.48

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the company not acknowledged as debt

The Company received a demand from the Tamil Nadu Electricity Board for an amount of ₹ 109 lakhs in January 2008 relating to reclassification disputes on the tariff category applicable to the Company in two of its delivery centers with retrospective effect from 2005. The Company has obtained an interim stay order from the Hon'ble High Court of Madras against this claim. The Company considers the claim to be erroneous and as not payable under the specified tariff category applicable to ITES units.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(b) Commitments		
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	3	189

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

	Particulars*	2020-2021	2019-2020
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	2	-
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

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

31 Segment Reporting

Ind AS 108 establishes the standards for the way that business enterprises report information about operating segments, which is based on the "management approach". Under "management approach", the 'Chief Operating Decision Maker' (CODM) considers and regularly reviews the segment operating results to assess the performance of the business segments and group as a whole. The Chief Executive Officer (CEO) is considered to be the 'Chief Operating Decision Maker' (CODM) as defined in IND AS 108. The Operating Segment is the level at which discrete financial information is available. The CODM allocates resources and assess performance at this level. The group has Digital Business Services (DBS) (in previous year, this was called Customer Life Cycle Management (CLM)), Anti Money Laundering (AML), Human Resource Outsourcing (HRO) as its business segments for the financial year ended 31 March 2021.

The above business segments have been identified considering :

a. the nature of products and services
b. the differing risks and returns
c. the internal organization and management structure, and
d. the internal financial reporting systems.

These business segments were considered to be primary and solely reportable segments of Group for the year ended 31 March 2021.

Business Segments

DBS comprises Inbound and Outbound Tele calling services and Call Quality Monitoring services rendered to its clients. HRO comprises payroll processing and statutory compliance support services to its client. AML services provided by the Group pertains to vouching, screening and other specific requirements from the regulatory authorities to comply with anti-money laundering regulations by its customers.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Segment information

Particulars	DBS	HRO	AML	Unallocable	Total
Revenue from operations	17,840	9,829	-	-	27,669
	20,032	*9,412*	-	-	*29,444*
Operating and other expenses/(income), net	*14,380*	*6,159*	-	*338*	*20,877*
	16,207	6,673	158	(1,519)	21,519
Depreciation and amortization expense	*1,729*	*291*	-	*319*	*2,339*
	386	61	-	1,544	1,991
Finance costs	-	-	-	*244*	*244*
	-	-	-	226	226
Interest income	-	-	-	*149*	*149*
	-	-	-	11	11
Profit before tax	*1,731*	*3,379*	-	*(752)*	*4,358*
	3,440	2,678	(158)	(240)	5,720
Tax expense	-	-	-	*859*	*859*
	-	-	-	1,227	1,227
Profit after tax	-	-	-	-	*3,499*
	-	-	-	-	4,493
Segment Assets	3,788	2,887	-	25,269	31,944
	3,903	*2,901*	-	*22,115*	*28,919*
Segment Liabilities	1,530	952	-	2,950	5,432
	2,074	*556*	-	*3,482*	*6,112*

Note: Amounts in italics pertains to the previous year ended 31 March 2020.

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

32 Employee Benefits

(a) Defined Contribution plans

The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	165	160
Contributions to provident funds	484	474
Contributions to other funds	193	213

(b) Defined Benefit Plans:

In respect of Indian entity, the Company offers ‘Gratuity’ (Refer Note 21 Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company’s obligation towards its gratuity liability is a defined benefit plan.

In respect of of Allsectech Manila Inc (“the subsidiary”), the subsidiary offers the defined benefit plan in the form of Retirement Plan. As per the preaviling practice at the jurisdiction of the entity, the employee will retire and receive retirement pay upon reaching the age of 60 years or more, provided he has served at least five years with his employer. The Subsidiary’s obligation towards its retirement plan is a defined benefit plan.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

A) **Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan’s liability.

D) **Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

E) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts.This may arise due to non availabilty of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

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

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2021. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan of India and the amounts recognized in the financial statement :

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**690**	**544**
Interest cost	39	32
Current service cost	61	61
Past service cost	-	-
Benefits paid	(56)	(99)
Actuarial loss	44	151
Present value of defined benefit obligation at the end of the year	**778**	**690**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**181**	**162**
Expected return	11	11
Contributions by the Company	81	104
Benefits paid and charges deducted	(66)	(99)
Actuarial gains	3	2
Fair value of plan assets at the end of the year	**210**	**181**
Net defined benefit obligation (deficit)	**568**	**509**
Current	**60**	**60**
Non-current	**508**	**449**
Amount recognised in profit or loss		
Current service cost	61	61
Past service cost	-	-
Interest cost	39	32
Expected return on planned assets	(11)	(11)
Provision for gratuity acquired as part of Business combination	-	(64)
Total amount recognised in profit or loss	**89**	**18**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	41	149
Total amount recognised in other comprehensive income	**41**	**149**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	5.64%	5.94%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	39.00%	39.00%
- employees with service more than 5 years as at valuation date	1.50%	1.50%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

Particulars	Attrition rate		Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2021						
> Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
> Impact on defined benefit obligation	5	(6)	(84)	100	94	(83)
31 March 2020						
> Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
> Impact on defined benefit obligation	7	(9)	(76)	91	85	(75)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2021 is ₹ 60 lakhs. The weighted average duration of the defined benefit obligation is 12.70 years (31 March 2020: 13 years).

The expected benefit payments for the 10 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	5-10 years	Total
31 March 2021					
Defined benefit obligation	26	41	171	178	416
31 March 2020					
Defined benefit obligation	20	29	161	185	395

c) **Retirement Plan of Manila**

Till previous year, the subsidary estimated the retirement benefit liability on the basis of retirement policy of the subsidary and created provision. During the current year, the subsidiary has determined the provision for retirement plan based on valuation performed by an actuary and the provisions for the liability towards retirement plans were made accordingly. Hence the actuarial valuation metrics are presented only for the current year.

The following table sets out the funded status of the Retirement Plan of the subsidiary and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2021
Changes in present value of defined benefit obligation	
Present value of defined benefit obligation at the beginning of the year	**59**
Interest cost	4
Current service cost	46
Past service cost	-
Benefits paid	-
Actuarial loss	4
Present value of defined benefit obligation at the end of the year	**113**
Changes in fair value of plan assets	
Fair value of plan assets at the beginning of the year	-
Expected return	-
Contributions by the Company	-
Benefits paid and charges deducted	-
Actuarial gains	-
Fair value of plan assets at the end of the year	**-**
Net defined benefit obligation (deficit)	**113**
Current	-
Non-current	113
Amount recognised in profit or loss	
Current service cost	46
Past service cost	-
Interest cost	4
Expected return on planned assets	-
Provision for gratuity acquired as part of Business combination	-
Total amount recognised in profit or loss	**50**
Amount recognised in other comprehensive income	
Remeasurement due to changes in actuarial assumptions	4
Total amount recognised in other comprehensive income	**4**

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

Particulars	Year ended 31 March 2021
Significant actuarial assumptions	
a) Discount rate and expected return on plan assets	5.20%
b) Long-term rate of compensation increase	5.00%
c) Attrition rate	
20-25 Years of age	10.00%
30 Years of age	7.50%
35 Years of age	5.50%
40 Years of age	3.00%
45 Years of age	2.50%
50 Years of age	2.00%
51-56 Years of age	1.50%
57 Years of age	1.00%
59 Years of age	0.00%
60 Years of age	100.00%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

Particulars	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
31 March 2021				
> Sensitivity Level	1%	-1%	1%	-1%
> Impact on defined benefit obligation	-17	21	20	-17

The expected benefit payments after balance sheet date is as follows:

Particulars	Between 1-5 years	Between 6-10 years	Between 11-15 years	16 years and above	Total
31 March 2021					
Defined benefit obligation	11	56	110	1,407	1,584
31 March 2020					
Defined benefit obligation	-	-	-	-	-

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

(c) **Compensated Absences**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Included under 'Salaries and Bonus'	41	46

Particulars	As at March 31, 2021	As at March 31, 2020
(b) Net asset / (liability) recognised in the Balance Sheet	209	202
Current portion of the above	209	202
Non - current portion of the above	-	-

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2020-2021	2019-2020
Discount Rate (% p.a)	5.64%	5.94%
Future Salary Increase (% p.a)	5.00%	5.00%

33 Financial Instruments

33.1 Capital Management

The Group manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Group's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Group monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Group compared to last year.

Gearing Ratio :

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings	16	40
Cash and Bank Balance	(15,001)	(12,555)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	**26,512**	**22,807**
Net Debt to equity ratio (A/B)	**- %**	**- %**

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

33.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2021 and 31 March 2020 is as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	4,971	3,339	4,971	3,339
- Other financial assets	51	-	51	-
Measured at amortised cost				
- Cash and Bank balances	14,862	12,420	14,862	12,420
- Other Bank balances	139	135	139	135
- Trade receivables	4,203	4,502	4,203	4,502
- Other financial assets	2,291	2,041	2,291	2,041
	26,517	**22,436**	**26,517**	**22,436**
(b) Financial Liabilities :				
Measured at fair value through P&L				
- Other financial liabilities	-	81	-	81
Measured at amortised cost				
- Borrowings	1	18	1	18
- Trade Payables	1,954	2,463	1,954	2,463
- Lease Liabilities	2,164	2,324	2,164	2,324
- Other financial liabilities	15	22	15	22
	4,134	**4,908**	**4,134**	**4,908**

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estmate the fair value/amortized cost

1) Long-term fixed-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.

2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a

range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

3) Fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at 31 March 2021 was assessed to be insignificant.

Fair Value Hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2021 and 31 March 2020.

33.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.

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

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Group cannot meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Group periodically. The Group believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

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

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2021				
Interest bearing*	1,532	648	-	2,180
Non-interest bearing	1,954	-	-	1,954
Total	**3,486**	**648**	**-**	**4,134**
31 March 2020				
Interest bearing*	1,035	1,329	-	2,364
Non-interest bearing	2,544	-	-	2,544
Total	**3,579**	**1,329**	**-**	**4,908**

* Includes Lease liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Group does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2021				
Interest bearing	139	-	-	139
Non-interest bearing	25,613	766	-	26,379
Total	**25,752**	**766**	**-**	**26,518**
31 March 2020				
Interest bearing	135	-	-	135
Non-interest bearing	21,642	659	-	22,301
Total	**21,777**	**659**	**-**	**22,436**

(b) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

(c) Market Risk :

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

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

Borrowings that existed as at 31 March 2020 are at fixed interest rates and hence the Group is not exposed to changes in market interest rates.

(c.2) Foreign Currency Risk Management :

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.

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

Particulars	Currency	As at 31 March 2021	As at 31 March 2020
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	USD	14,695	12,759
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	PHP	505	787
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	SGD	6	-
Financial Liabilities (comprising of trade payables)	USD	148	216
Financial Liabilities (comprising of trade payables)	PHP	170	386
Financial Liabilities (comprising of trade payables)	EURO	-	1
Financial Liabilities (comprising of trade payables)	RM	4	2

Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

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

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2020
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	1,455	(1,455)	1,254	(1,254)
PHP	33	(51)	40	(40)
SGD	1	1	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	1,455	(1,455)	1,254	(1,254)
PHP	33	(51)	40	(40)
SGD	1	1	-	-

Note :

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

33.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

33.5 Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.

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

34 Additional information required as per Schedule-III of the Companies Act, 2013:

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 a % of consoli-dated assets	Amount	As a % of consoli-dated profit or Loss	Amount	As a % of consoli-dated Other Compre-hensive Income	Amount	As a % of consoli-dated total compre-hensive income	Amount
As at 31 March 2021								
Holding company	57%	15,629	45%	1,597	88%	(29)	45%	1,568
Foreign subsidiaries:								
Allsectech Inc	1%	408	-17%	(581)	0%	-	-17%	(581)
Allsectech Manila Inc	42%	11,507	69%	2,420	0%	(4)	69%	2,416
Retreat Capital Management Inc	0%	-	2%	76	12%	-	2%	76
Sub-total	**100%**	**27,544**	**100%**	**3,512**	**100%**	**(33)**	**100%**	**3,479**
Inter-company eliminations and other adjustments		(1,032)		-		226		226
Total		**26,512**		**3,512**		**193**		**3,705**
As at 31 March 2020								
Holding company	59%	14,061	29%	945	100%	(98)	27%	847
Foreign subsidiaries:								
Allsectech Inc	4%	1,013	-46%	(1,501)	0%	-	-47%	(1,501)
Allsectech Manila Inc	37%	8,847	108%	3,551	0%	-	111%	3,551
Retreat Capital Management Inc	0%	(79)	9%	285	0%	-	9%	285
Sub-total	**100%**	**23,842**	**100%**	**3,280**	**100%**	**(98)**	**100%**	**3,182**
Inter-company eliminations and other adjustments		(1,035)		1,213		893		2,106
Total		**22,807**		**4,493**		**795**		**5,288**

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

35 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered:

Particulars	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	31-Mar-21	31-Mar-20		
Investments in Mutual Funds	4,971	3,339	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	51	(81)	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2021 and 31 March 2020

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Group's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below:

Investments in mutual fund units (Level 1)

The mutual funds are valued using the closing NAV.

Foreign exchange forward contracts (Level 2)

The Group's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets

There are no non-financial assets that were measured at fair value on the reporting dates.

36 Capital management policies and procedures

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

37 Winding up of Retreat Capital Management Inc., the wholly owned subsidiary

Retreat Capital Management Inc., the wholly owned subsidiary, was wound up during the current year. The Secretary of State (California) has issued the certificate of dissolution dated February 19, 2021.

38 Dividend

Interim Dividend of ₹ 15 per share on the equity share (150% of par value of ₹ 10 each) has been approved by the Board of Directors in its board meeting held on 29 April 2021 and will be paid during the financial year 2021-22

39 Business combination

During the previous year, the Group acquired on a slump sale basis with effect from 30 September 2019 ,the assets and liabilities of HR Compliance business of Coachive Solutions Private Limited ('CSPL'), a subsidiary of Quess Corp Limited for a purchase consideration of ₹ 1,680 lakhs against the net liability of ₹ 746 lakhs (including inter-company loans). The Group accounted for the business combination in accordance with the requirements of Appendix C of Ind AS 103 'Business Combinations' which lays down the principles inrespect of accounting for business combinations of entities or businesses under common control. As required by the Standard, pooling of interests method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Group at their respective carrying amounts and an adjustment of ₹ 2,426 lakhs (debit) has been made to the capital reserve of the Group.

40 Note on COVID 19 assessment

In assessing the recoverability of receivables including unbilled receivables, intangible assets, and certain investments in the context of prevailing economic conditions on account of COVID-19, the Group has considered internal and external information up to the date of approval of these audited financial statements including credit reports and economic forecasts. Based on this analysis, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

41 Approval of Financial Statements

In connection with the preparation of the consolidated financial statements for the year ended 31 March 2021, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Group and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Group and have 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 consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 26 May 2021 in accordance with the provisions of Companies Act, 2013.

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
Place: Bengaluru

Krishna Suraj Moraje
Director
Place: Bengaluru

C Manish Muralidhar
Partner
Place: Hyderabad
Date: May 26, 2021

Ashish Johri
Chief Executive Officer
Place: Chennai
Date: May 26, 2021

Raghunath P
Chief Financial Officer
Place: Chennai

Gagan Preet Singh
Company Secretary
Place: Chennai