



accelya

1 October, 2021

The Manager,  
Listing Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C-1/ G Block,  
Bandra- Kurla Complex,  
Bandra (East) Mumbai – 400 051  
Scrip Code: ACCELYA

Deputy General Manager,  
Corporate Relationship Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street Fort,  
Mumbai – 400 001

Scrip Code: 532268

Dear Sir/Madam,

**Sub: Submission of the 35th Annual Report for the year 2020-21**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the 35th Annual Report of the Company for the financial year 2020-21 containing therein the Notice of the Annual General Meeting to be held on Wednesday, 27th October, 2021 through Video Conferencing / Other Audio Visual Means.

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

Kindly take the above on record.

Thanking you,  
Yours faithfully,  
For Accelya Solutions India Limited

Ninad Umranikar  
Company Secretary  
Membership No ACS 14201

**Accelya Solutions India Limited**

CIN: L74140PN1986PLC041033

**Regd. Office:** Accelya Enclave, 685/2B & 2C, 1<sup>st</sup> Floor, Satara Road, Pune 411 037 (India)

T+ 912066083777 F+91 202423 1639 Email- info@accelya.com  
w3.accelya.com

A woman with short blonde hair, wearing a light pink t-shirt, dark blue trousers, and white sneakers, is captured in mid-air while running through a vast field of golden wheat. The background features a clear blue sky and distant green hills. The overall mood is one of energy and forward motion.

# ACCELYA SOLUTIONS INDIA LIMITED

35<sup>th</sup> Annual Report 2020-21

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accelya

## Accelya Solutions India Limited

Corporate Office,  
Development Center and  
Accelya Managed Service Center

### Mumbai

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

### Development Center

#### Pune

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

#### Goa

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

### Global Offices

#### USA

1405 Plymouth Road,  
North Brunswick, NJ 08902, USA  
Tel: (+1) 305 552 6094

#### UK

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



## Board of Directors

John Johnston	Chairman
Neela Bhattacharjee*	Managing Director
Shrimanikandan Ananthavaidhyanathan**	Managing Director
Sekhar Natarajan***	Director
Nani Javeri	Director
Sangeeta Singh	Director
Jose Maria Hurtado	Director
Amol Gupte****	Director

\* Retired w.e.f close of business hours on 30 June, 2021

\*\* Appointed w.e.f 1 July, 2021

\*\*\* Retired w.e.f close of business hours on 6 July 2021

\*\*\*\* Appointed w.e.f 20 May, 2021

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## Auditor

Deloitte Haskins & Sells LLP,  
Chartered Accountants

## Company Secretary

Ninad Umranikar

## Bankers

State Bank of India  
ICICI Bank Ltd

## Registered Office

Accelya Enclave, 685/2B & 2C,  
1st Floor, Sharada Arcade,  
Satara Road, Pune - 411 037.  
Tel. No. +91 20 6608 3777  
Fax No. +91 20 2423 1639  
Website : w3.accelya.com  
CIN : L74140PN1986PLC041033

## Registrar and Share Transfer Agent

M/s. KFin Technologies Private Limited,  
Selenium Tower B, Plot 31-32,  
Gachibowli Financial District,  
Nanakramguda, Hyderabad - 500 032  
Phone: +91 - 40 - 6716 2222  
Fax: + 91 - 40 - 2300 1153  
Toll Free No.: 1800-345-4001



**Dear Shareholders,**

I trust that you and your families are safe during this uncertain period.

I thank the shareholders and the board for providing me with this opportunity to lead a group of fantastic professionals and to be part of this great organization.

As a technology partner for the travel industry, we have observed a direct impact on our business due to travel restrictions and reduced travel activities across the globe. However, we have taken proactive measures to ensure that we stay financially strong through these challenging times.

We have stood with our customers and provided the support needed during this volatile period. Our domain expertise and ability to adapt to the constantly evolving business environment ensured that they received the best services.

As primarily a transaction-based business, we had seen a dip in our business volumes during the early stages of the pandemic. However, we are happy to share with you the fact that the business is showing positive recovery trends.

The company continued the practice of rewarding its shareholders with dividends that reflects our financial performance even during this challenging period. The total dividend for 2020-21 is Rs.52 (Rupees Fifty-Two) per share, including Rs.17 (Rupees Seventeen) per share recommended as final dividend.

We have balanced our operations and employee welfare by continuing the work-from-home policy. With our proactive approach towards employee engagement and enablement, we have ensured that we continue to sustain operational excellence even with this new approach to working.

Our staff are our greatest assets and we have provided necessary support to the employees who faced hardships during this period of distress. We continue to engage with them on their physical and mental well-being regularly. We have embarked on a successful vaccination campaign across our India offices, that has benefitted our employees and their families.

We observe that the travel industry is now showing signs of recovery across the globe. However, various industry bodies are predicting that the journey towards the pre-covid business volumes will be a long one. We continue to monitor the evolving business landscape to ensure that we drive the organization in the right direction, balancing our short-term demands and long-term aspirations.

We continue to focus on innovation and creating a best-in-class financial solutions and services portfolio for the travel industry. We have partnered with various industry bodies to deliver the same.

With a strong vision and commitment to growth, we, as part of the Accelya Group, will partner with our airline customers to drive their recovery process and beyond.

I thank you for your confidence in our company and your continued support. Please stay safe and healthy.

**Yours truly,**

**Shrimanikandan Ananthavaidhyanathan**  
**Managing Director**

## Financial Highlights

(Amount in ₹ Million)

	2020-21	2019-20	2018-19	2017-18	2016-17
<b>INCOME STATEMENT</b>					
Operating Revenue	2,510.10	3,549.78	3,784.77	3,450.41	3,324.05
Operating EBITDA	970.67	1,565.03	1,726.91	1,551.47	1,595.57
Profit Before Tax	587.52	1,189.05	1,560.11	1,408.17	1,452.15
Profit After Tax	451.93	886.38	1,038.49	947.16	947.47
<b>BALANCE SHEET</b>					
Net Worth	2,294.99	2,359.43	1,904.53	1,738.75	1,730.95
Borrowings	-	-	-	-	-
Net Fixed Assets	1,005.90	1,124.40	437.09	407.76	361.92
Cash and cash equivalents	262.26	265.44	25.70	23.49	17.29
Current Assets	1,555.71	1,680.57	1,413.62	1,363.38	1,350.56
Current Liabilities	562.84	687.81	571.97	608.46	535.18
Capital Employed	2,294.99	2,359.43	1,904.53	1,738.75	1,730.95
<b>FINANCIAL INDICATORS</b>					
Operating EBITDA Margin	39%	44%	46%	45%	48%
Current Ratio	2.76	2.44	2.47	2.24	2.52
Net Worth per share (₹)	153.76	158.07	127.60	116.49	115.97
Dividend per share (₹)	52.00	10.00	32.00	46.00	51.00
Market price per share (₹)	1,164.80	920.00	862.70	1,163.80	1,328.00
Basic Earnings per share (₹)	30.28	59.38	69.57	63.46	63.48



To,

The Members,

Your Directors are pleased to present the thirty fifth report on the business and operations of the Company for the year ended 30th June, 2021.

## FINANCIAL RESULTS (STANDALONE) ₹ in Lakhs

Particulars	2020-21	2019-20
<b>Revenue</b>		
- Revenue from operations	25,101.04	35,497.77
- Other Income	1,876.26	1,486.64
<b>Total income</b>	<b>26,977.30</b>	<b>36,984.41</b>
Total expenses	21,102.08	25,093.92
<b>Profit before Tax</b>	<b>5,875.22</b>	<b>11,890.49</b>
Tax expense		
- Current Tax	1,367.69	3,284.82
- Deferred Tax	(11.81)	(258.17)
<b>Net Profit for the year</b>	<b>4,519.34</b>	<b>8,863.84</b>
Other comprehensive income / (loss)	60.49	(55.28)
<b>Total comprehensive income for the year (net of tax)</b>	<b>4,579.83</b>	<b>8,808.56</b>
Profit brought forward from previous year	<b>16,444.84</b>	<b>11,895.88</b>
<b>Profit available for appropriation</b>	<b>21,024.67</b>	<b>20,704.44</b>
<b>Appropriations:</b>		
- Interim dividend	5,224.19	1,492.63
- Dividend distribution tax on interim dividend	-	276.92
- Final equity dividend	-	2,238.94
- Dividend distribution tax on final dividend	-	460.22
- Dividend distribution Tax credit	-	(209.11)
<b>- Balance Carried Forward to Balance Sheet</b>	<b>15,800.48</b>	<b>16,444.84</b>

## DIVIDEND

The Company had declared and paid an interim dividend of ₹ 35 per equity share during the year 2020-21.

Your Directors are pleased to recommend a final dividend of ₹ 17 per equity share for the financial year ended 30th June, 2021.

The total dividend for 2020-21 is ₹ 52 per equity share (previous year ₹ 10 per equity share).

The Dividend Distribution Policy of the Company is set out as Annexure "A" and is also uploaded on the Company's

website: <https://w3.accelya.com/investors/>

## OPERATING RESULTS

The COVID-19 pandemic, consequent lockdown and travel restrictions in various geographies, has had a negative effect on the Company's revenues which have fallen by 29% from ₹ 35,497.77 lakhs in 2019-20 to Rs. 25,101.04 lakhs in 2020-21. The reduction in the revenues has resulted in the drop in profit before tax from Rs. 11,890.49 lakhs in the previous year to Rs. 5,875.22 lakhs in the year under review. The Company took various cost containment measures during the year, as a result of which the total expenses have been curtailed by 16% to ₹ 21,102.08 lakhs in 2020-21 from ₹ 25,093.92 lakhs in the previous year.

## IMPACT OF COVID 19

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

## BUSINESS OPERATIONS

As a result of last year's merger between Accelya Group and Farelogix, the Company is better positioned to partner with airline to cover the entire passenger journey. The Company has put together roadmap to provide airlines solutions that map the entire Offer-to-Settlement cycle.

With respect to the COVID-19 situation, the Company focused on business continuity, customers and employees.

- o The Company continued to carry out cost-rationalizing measures to conserve cash to address any uncertainties in evolving situations. This includes reducing the cost of human resources (with the consent of relevant employees), travel, marketing and events, etc.
- o The Company supported the customers with webinars and other content that helped them understand and respond to the crisis. The Company also learned insights from the customers, understanding their

problems, adapting and creating value that aligns with their current and future objectives:

## SUBSIDIARIES

Pursuant to the provisions of section 129(3) of the Companies Act, 2013 ("the Act"), a statement containing salient features of financial statements of Accelya Solutions Americas Inc. and Accelya Solutions UK Limited, in Form AOC-1 is attached to the financial statements.

In accordance with Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and the financial statements of each of the subsidiaries, are available on our website, [w3.accelya.com](http://w3.accelya.com). Further, in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Accounting Standard 21 (AS-21), the Consolidated Financial Statements prepared by the Company include financial information of its subsidiaries.

The Company's Policy for determining material subsidiaries may be accessed on the website of the Company at <https://w3.accelya.com/investors/>

## BOARD OF DIRECTORS

Seven meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

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

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

The Board of Directors, based on the declaration(s) received from the Independent Directors, has verified the veracity of such disclosures and confirm that the Independent Directors fulfil the conditions of independence specified

in the Listing Regulations and the Companies Act, 2013 and are independent of the management of the Company.

## Retirement of Ms. Neela Bhattacharjee

Ms. Neela Bhattacharjee conveyed her decision to retire as Managing Director of the Company with effect from the close of business hours on 30 June, 2021. Ms. Bhattacharjee also decided to step down as director of the Company from the close of business hours on 30 June, 2021.

Ms. Bhattacharjee was with the Company for over 20 years and held many leadership roles including Executive Vice President Financial Solutions. In 2015, she took over as the Managing Director of the Company. Under her leadership, the Company strengthened its product portfolio and increased revenues from existing and new airline customers. As a member of the Leadership Team, Ms. Bhattacharjee helped drive group-wide initiatives.

The Board of Directors places on record its appreciation for the valuable services and immense contribution of Ms. Bhattacharjee in the Company's growth over the years.

## Appointment of Mr. Shrimanikandan Ananthavaidyanathan

Mr. Shrimanikandan Ananthavaidyanathan ("Mr. Mani") was appointed as an Additional Director designated as Managing Director by the Board of Directors on 22 June, 2021 effective from 1 July, 2021.

Mr. Mani is a seasoned airline technology leader with more than two decades of technology industry experience in airline application development, management and consultancy. Mr. Mani worked with organizations like Tata Consultancy Services and Sabre to provide technology solutions to global airlines. He also worked with Jet Airways India Ltd as the Chief Information Officer with focus on technology modernisation.

Mr. Mani's areas of interest include enterprise architecture, machine learning, robotics and digital transformation. Mr. Mani received a Masters degree in Computer Science from Bharathidasan University.

The Board is confident that under the able leadership of Mr. Mani as Managing Director, the Company will scale new heights.

The Nomination & Remuneration Committee and the Board recommends the appointment of Mr. Mani as Managing Director of the Company, not liable to retire by rotation.

In terms of the provisions of section 160 (1) of the Companies Act, 2013, the Company has received a notice from a member signifying his intention to propose the





candidature for the appointment of Mr. Mani for the office of Independent Director.

### Appointment of Mr. Amol Gupte

Mr. Amol Gupte (DIN: 09160562) was appointed as an Additional Director designated as an Independent Director of the Company with effect from 20 May 2021 for a period of five (5) years, subject to approval of the members of the Company.

Mr. Amol Gupte is a technology leader and has over two decades of management experience in IT Applications and Infrastructure, setting up startups with deep experience in banking technologies and P&L responsibilities across geographies. He was the Managing Director at Accenture and has held leadership positions at startups and global financial institutions. Mr. Gupte is a BE from Bangalore University and has a Masters Degree from Michigan Tech University, USA with an MBA in Marketing Management.

Considering the knowledge, expertise and experience of Mr. Gupte, the Nomination & Remuneration Committee and the Board recommends the appointment of Mr. Gupte as an Independent Director on the Board of the Company, and not liable to retire by rotation. The Company has received declaration from Mr. Gupte that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

In terms of the provisions of section 160 (1) of the Companies Act, 2013, the Company has received a notice from a member signifying his intention to propose the candidature for the appointment of Mr. Amol Gupte for the office of Independent Director.

### Retirement of Mr. Sekhar Natarajan

Mr. Sekhar Natarajan, Non-Executive Independent Director of the Company retired from the Board on 6 July, 2021, upon completion of his tenure.

The Board places on record its sincere appreciation for the immense contribution made by Mr. Sekhar Natarajan as an Independent Director.

### Retirement by rotation and re-appointment of Mr. Jose Maria Hurtado

Mr. Jose Maria Hurtado (DIN 08621867) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Jose Maria Hurtado (age 48) is the Chief Financial Officer of Accelya group. He is responsible for the

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

The other details of Mr. Jose Maria Hurtado like the nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to the AGM notice.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of the Act. Information regarding investments covered under the provisions of section 186 of the Act is detailed in the financial statements.

### DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a. in the preparation of the annual accounts for the year ended 30th June, 2021, the applicable accounting standards have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2021 and of the profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws

and that such systems are adequate and operating effectively.

## HUMAN RESOURCE

The Board has not granted any stock options during the year under review. During the year the Company also did not have any options in force. Therefore, the details required to be given under the SEBI (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999 are not being given.

During the year, the Company had cordial relations with its employees. Disclosures with respect to the remuneration of Directors and employees as required under section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure "B".

Details of employee remuneration as required under provisions of section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Financial Statements as set out therein, are being sent to all members of your Company excluding the aforesaid information. The particulars shall be made available to any member on request.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2020-21 and the date of this report.

## POLICIES

Your Company has formulated Policy on Related Party Transactions, Policy for determining material subsidiaries, CSR Policy and Whistle Blower Policy in terms of the legal requirements. These and other policies are available on the website of the Company at <https://w3.accelya.com/investors/>

## RELATED PARTY TRANSACTIONS

All contracts/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

No material related party transactions were entered into during the year by your Company. Accordingly,

the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to your Company.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm's length.

## VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide a framework to promote responsible and secure whistle blowing process. It protects employees wishing to raise a concern about serious irregularities within the Company or its employees.

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

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees.

The Company did not receive any complaint of sexual harassment during the financial year 2020-21.

## RISK MANAGEMENT

The Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Risk Management framework to identify, evaluate and mitigate risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The risk framework defines the risk management approach across the enterprise at various levels.

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

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



**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In accordance with the requirements of section 135 of the Act, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure "D".

**AUDITORS**

**Statutory Auditors**

Your Company at its thirty fourth Annual General Meeting held on 28 October, 2020 had appointed Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W - 100018) as Statutory Auditors of the Company up to the conclusion of the thirty ninth Annual General Meeting. The requirement for the annual ratification of auditor's appointment at the Annual General Meeting has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018. The Statutory Auditors have confirmed that they satisfy the independence criteria as required under the Act.

**Secretarial Auditor**

Pursuant to the provisions of section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed S. N. Ananthasubramanian & Co, Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure E".

**SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**EXTRACT OF ANNUAL RETURN**

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

**CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY REPORT**

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

**FIXED DEPOSITS**

During the year your Company has not accepted fixed deposits from the public.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are annexed hereto as Annexure "H".

**ACKNOWLEDGMENT**

Your directors extend their gratitude to all investors, clients, vendors, banks, financial institutions, regulatory and governmental authorities and stock exchanges for their continued support during the year. The directors place on record their appreciation of contribution made by the employees at all levels for their dedicated and committed efforts during the year.

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

**Shrimanikandan Ananthavaidhyanathan**  
**Managing Director**  
 (DIN: 09192936)

**John Johnston**  
**Chairman**  
 (DIN: 07258586)

Place: Chennai  
 Date: 5th August, 2021

London  
 5th August, 2021

## Annexure 'A'

### Dividend Distribution Policy

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

#### INTRODUCTION

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

#### DEFINITIONS

- i) "Act" shall mean the Companies Act, 2013 including the rules made thereunder.
- ii) "Company" shall mean Accelya Solutions India Limited.
- iii) "CFO" shall mean Chief Financial Officer of the Company.
- iv) "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- v) "Dividend" shall mean Dividend as defined under Companies Act, 2013 or SEBI Regulations.
- vi) "SEBI Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

#### POLICY

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

#### Frequency of payment of dividend

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

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

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

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



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

### **Circumstances under which their shareholders can or cannot expect dividend**

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

### **Procedure for declaration / recommendation of dividend**

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

### **AMENDMENTS TO THE POLICY**

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

## Annexure 'B'

**Statement of Disclosure of Remuneration under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) The ratio of remuneration of each director to the median employee's remuneration, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2020-21.

Sr. No.	Name of the Director / KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in remuneration
1	Neela Bhattacharjee*	Managing Director	32:1	98.4%
2	Gurudas Shenoy**	Chief Financial Officer	Not Applicable	-
3	Ninad Umranikar	Company Secretary	Not Applicable	-
4	Uttamkumar Bhati***	Chief Financial Officer	Not Applicable	30%

(\*) includes onetime special incentive.

(\*\*) Resigned w.e.f. 15 February, 2021

(\*\*\*) Appointed w.e.f. 15 February, 2021

- ii) The percentage increase in the median remuneration of employees in the financial year 2020-21 was Nil.
- iii) The Company has 1,201 permanent employees on the rolls of the Company as on 30th June, 2021.
- iv) Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 0.7% whereas the increase in the managerial remuneration was 98.4%.
- v) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



## Annexure 'C'

### Policy on Appointment of Directors, Key Managerial Personnel, Senior Management & Other Employees and Remuneration Policy

#### 1. Term of Appointment of Directors

##### A. Maximum Tenure of Independent Directors

- i) An independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment for another term of up to five consecutive years on passing of a special resolution by the Company.

Provided that a person who has already served as an independent director for five years or more in the Company as on 1st October, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence mentioned in (5) (A) below.

- ii) An independent director who completes his above mentioned term shall be eligible for appointment as independent director in the Company only after the expiration of three years of ceasing to be an independent director in the Company.

##### B. Term of Other Directors

Not less than two-thirds of the total number of directors of the Company shall be persons whose period of office is liable to determination by retirement of directors by rotation and be appointed by the Company in general meeting.

For the purpose of determining directors liable to retire by rotation, "total number of directors" shall not include independent directors on the Board of the Company.

#### 2. Appointment of Key Managerial Personnel and Persons in Senior Management

The Committee shall appoint Key Managerial Personnel and persons in Senior Management and shall approve the terms and conditions of their appointment including their remuneration. The Committee shall strive to appoint a person best suited for the job in terms of talent, qualification and experience required for the position.

Senior Management shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Board of Directors and includes functional heads.

#### 3. Criteria for Determining Qualifications of Directors

For a person to qualify as a director he shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, human resource, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

#### 4. Positive Attributes

##### a) Integrity

A director, Key Managerial Personnel and a person in Senior Management shall be a person of integrity and shall uphold highest standards of probity.

##### b) Commitment

A director, Key Managerial Personnel and a person in Senior Management shall devote sufficient time and attention to his professional obligations for informed and balanced decision making.

**c) Compatibility**

A director should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.

**5. Criteria for Determining Independence of Directors**

An independent director shall be a director other than a managing director or a whole-time director or a nominee director,—

- (a) who is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company; or
- (f) who possesses the qualifications prescribed in (1) above.

**6. Evaluation of Performance of Independent Directors**

Every independent director shall self-evaluate his performance and shall submit a report on his self-evaluation to the Chairman of the Company. The Chairman shall review the performance of the independent director and provide feedback as appropriate.



**PART B****Remuneration Policy****1. Objective**

The Nomination and Remuneration Committee of the Board of Directors (“the Committee”) of Accelya Solutions India Limited (the “Company” or “ASIL”) has adopted the following policy and procedures with regard to remuneration to the directors, key managerial personnel and other employees of the Company. The Committee may review and amend this policy from time to time.

In determining the remuneration & compensation, the Company shall take into consideration individual performance of the employee and company performance determined through the process of annual appraisals.

The remuneration and compensation policy of the Company aims to attract, retain and motivate employees.

The remuneration to the managing director, key managerial personnel and senior management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

This policy is intended to ensure that all necessary approvals are obtained and all reporting requirements are duly complied with in respect of remuneration of directors and key managerial personnel of the Company.

**2. Effective Date**

This Policy is effective from 1st April 2014.

**3. Remuneration****A. Independent Directors and Non-Executive Non-Independent Directors****a) Commission**

Independent directors and non-executive non-independent directors of the Company may be paid such remuneration as the Board of Directors may decide from time to time, subject to the approval of the shareholders of the Company. The independent directors and non-executive non-independent directors may be paid remuneration by way of commission subject to the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 2013 (“the Act”).

The percentages aforesaid shall be exclusive of any sitting fees payable to independent directors and non-executive non-independent director for attending meetings of the Board of Directors or of any committee thereof and re-imbursment of out of pocket expenses incurred by the independent directors.

**b) Re-imbursment of out of pocket expenses**

The Company may reimburse out-of-pocket expenses incurred by the independent directors and non-executive non-independent directors for attending the meetings.

**c) Sitting Fees**

The Board of Directors of the Company may decide from time to time, sitting fees payable to independent directors and non-executive non-independent directors for attending meetings of the Board or committees thereof.

The sitting fees shall not exceed rupees one hundred thousand (₹ 100,000) per independent director and non-executive non-independent director per meeting of the Board or committee thereof.

The independent directors and non-executive non-independent directors shall not participate in the meeting on any discussion relating to the remuneration payable to them.

The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

**B. Remuneration to Managing Director**

The Managing Director shall be paid remuneration in accordance with industry standards.

Based on the industry standards, the Managing Director of the Company may be paid such remuneration as the Board of Directors may decide, from time to time, on the recommendation of the Nomination & Compensation Committee, subject to the approval of the shareholders of the Company.

The Managing Director may be paid remuneration which shall not exceed five per cent of the net profits of the Company.

Provided that if, in any financial year, the Company has no profits or its profits are inadequate, the Company may pay to its Managing Director, by way of remuneration any sum in accordance with the provisions of Schedule V to the Act and if it is not able to comply with such provisions, it may pay remuneration to the Managing Director after obtaining previous approval of the Central Government.

**C. Remuneration to Key Managerial Personnel and Senior Management**

Remuneration and compensation to key managerial personnel and persons in senior management shall be competitive and in accordance with industry benchmarks.

The remuneration and compensation shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**D. Remuneration to other employees**

In determining the remuneration and compensation to employees other than those mentioned above, the Company shall take into consideration individual performance of the employee and company performance determined through the process of annual appraisals.

**4. Disclosures**

This policy shall be disclosed in the Board's report. In addition to the above, the following shall be disclosed in the Board's report:

- i) The ratio of remuneration of each director to the median employee's remuneration.
- ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year;
- iii) The percentage increase in the median remuneration of employees in the financial year;
- iv) The number of permanent employees on the rolls of the Company;
- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
- vi) Affirmation that the remuneration is as per the remuneration policy of the Company.

In the event of any clause in the "Policy on Appointment of Directors, Key Managerial Personnel, Senior Management & Other Employees and Remuneration Policy" undergoes a change as a result of any statutory amendment to any law referred therein, such clause shall automatically stand amended without referring to the Board.



## Annexure 'D'

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21 [Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### Brief Outline of CSR Policy

Accelya Solutions India Limited has been a socially responsible company since inception and has been contributing actively for CSR activities to benefit the socially & economically disadvantaged communities.

The objectives of the CSR policy are to –

- Clarify and establish the CSR vision, focus areas and strategy of the Company.
- Establish the governance mechanism and process – how the CSR budget and activities shall be approved, monitored and reported to the Board of Directors and other stakeholders.

For the Company, corporate social responsibility firstly means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive and sensitive towards the differently abled.

Apart from responsible business practices, the Company believes that it must contribute to uplift sections of society that are disadvantaged. Creating a better society is the job of everyone and in some way every individual, every organisation must contribute towards a better community and country.

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

#### 2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Nani Javeri*	Independent Director	4 (Four)	4
2	Sangeeta Singh	Independent Director		4
3	John Johnston	Non-Executive Chairman		4

\* Chairman of the Committee

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

<https://w3.accelya.com/accelyakale-committees-of-board-of-directors>

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: Not Applicable
6. Average net profit of the company as per section 135(5): Rs. 13,857.75 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 277.20 lakhs  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable  
 (c) Amount required to be set off for the financial year, if any: Not Applicable  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 277.20 lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent			
	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 (Rs. in Lakhs)	Name of the Fund	Amount (Rs. in Lakhs)	Date of Transfer
277.2	13.14	Not Applicable		

- (b) Details of CSR amount spent against ongoing projects for the financial year:

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 (Rs. in Lakhs)	Amount spent in the current financial year (Rs. in Lakhs)	Amount transferred to unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of implementation Direct (Yes/ NO)	Mode of implementation - Through implementing agency	
				State	District						Name	Registration No.
1	Seva Sadan Society's English School Upgrade	(ii)	Yes	Maharashtra	Mumbai	2 Years	18.95	5.81	13.14	Yes	Seva Sadan Society	CSR00003387



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

SI 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 (Rs. in Lakhs)	Mode of Implementation – Direct (Yes /No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	Registration no.
1	Project SAMBHAV	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra Goa Madhya Pradesh Odisha	Mumbai, Thane, Raigad, Palghar, Pune, Baramati, Ahmednagar, Aurangabad, Nashik, South Goa and North Goa Indore, Hosangabad, Kandhamal, Kalahandi,	235.90	No	Catalysts for Social Action	CSR00002803
2	Seva Sadan Society's Residential Home	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans;	Yes	Maharashtra	Mumbai	13.85	Yes	Seva Sadan Society	CSR00003387
3	Seva Sadan Society's Girls' High School and Primary Marathi School	setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups				6.38	Yes		
4	Seva Sadan Society's Pre-Primary Marathi School	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly & the differently abled and livelihood enhancement projects.				2.12	Yes		
	<b>Total</b>					<b>258.25</b>			

(d) Amount spent in Administrative Overheads - NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs. 277.20 Lakhs\*

\* Includes an amount of Rs. 13.14 lakhs earmarked for ongoing projects transferred to Unspent CSR Account in terms of Section 135(6) of the Companies Act, 2013, for the Financial Year 2020-21.

(g) Excess amount for set off, if any: NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting Financial Year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial (Rs. in Lakhs)
				Name of the Fund	Amount (Rs. in Lakhs)	Date of transfer	
1	2019-20	-	69.80	-	-	-	-
2	2018-19	-	-	-	-	-	-
3	2017-18	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): 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: NIL

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): Not Applicable

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

**Nani Javeri**  
**Chairman of CSR Committee**  
 DIN : 02731854

**Shrimanikandan Ananthavaidhyanathan**  
**Managing Director**  
 DIN: 09192936

Place : Mumbai  
 Date : 5<sup>th</sup> August, 2021

Chennai

**Annexure 'E'****Form No. MR-3  
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 30th JUNE 2021**

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

**To,**  
The Members,  
**ACCELYA SOLUTIONS INDIA LIMITED**  
**CIN: L74140PN1986PLC041033**  
Accelya Enclave, 685/2B & 2C,  
1st floor, Sharada Arcade,  
Satara Road, Pune 411037

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Accelya Solutions India Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 30th June 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 30th June 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Provisions of External Commercial Borrowings are not applicable.;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.;
  - b. The SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable as the Company has not issued any shares during the year under review.;

- e. The Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014) - Not applicable as the Company has not granted any shares / options under the said regulations during the financial year under review;
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued and/or listed any debt securities during the financial year under review;
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted/ has proposed to delist its equity shares from any stock exchange during the financial year under review;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back / has proposed to buy-back any of its securities during the financial year under review.
- vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:
- 1) Software Technology Parks of India - Rules & Regulations;
  - 2) Information Technology Act, 2000.

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

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

**We further report that: -**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance before the meeting except where consent of Directors was received for receiving notice of meetings, circulation of Agenda and notes on Agenda at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees thereof were carried through with requisite majority.

**We further report that** based on the review of the compliance mechanism established by the Company; verification of applicable labour law related compliances on test check basis and on the basis of Statutory Compliance Report issued by Managing Director on the basis of confirmations received from the concerned Executives and taken on record by the Board of Directors at their meeting(s), we are of the opinion that management has adequate systems





and processes placed in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the no event having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. has occurred.

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

**For S. N. ANANTHASUBRAMANIAN & Co.**

**Company Secretaries**

**ICSI Unique Code: P1991MH040400**

**Peer Review Cert. No.: 606/2019**

**Ashwini Vartak**

**Partner**

**ACS: 29463 | COP No.: 16723**

**ICSI UDIN : A029463C0007163215**

**31st July, 2021 | Place : Thane**

## Annexure A to the Secretarial Audit Report

To,  
The Members,  
**ACCELYA SOLUTIONS INDIA LIMITED**  
**CIN: L74140PN1986PLC041033**  
Accelya Enclave, 685/2b & 2c,  
1st floor, Sharada Arcade,  
Satara Road, Pune 411037.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report we have conducted our audit remotely based on the records and information made available to us by the Company electronically.
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 affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

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

**Ashwini Vartak**  
**Partner**  
**ACS: 29463 | COP No.: 16723**  
**ICSI UDIN : A029463C0007163215**  
31st July, 2021 | Place : Thane



## Annexure 'F'

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**For financial year ended 30<sup>th</sup> June, 2021**

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

**I. REGISTRATION & OTHER DETAILS**

1. CIN	L74140PN1986PLC041033
2. Registration Date	25 <sup>th</sup> September, 1986
3. Name of the Company	Accelya Solutions India Limited
4. Category/Sub-category of the Company	Public Company / Subsidiary of Foreign Company limited by shares
5. Address of the Registered office & contact details	Accelya Enclave, 685 / 2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune 411 037 Tel : 020-66083777 E-mail : accelyaindia.investors@accelya.com Website : w3.accelya.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. KFin Technologies Private Limited, Unit : Accelya Solutions India Limited, Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad - 500 032 Phone : +91 - 40 - 67162222 Fax : +91 - 40 - 23001153 Toll Free no.: 1800-345-4001 E-mail : einward.ris@kfintech.com www.kfintech.com

**II. Principal Business Activities of the Company** (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Computer programming, consultancy and related activities	620	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Accelya Holding World S.L. Avenida Diagonal 613, Edificio Prisma, P9 A3 y B4, 08028 Barcelona	Not Applicable	Holding	74.66	2(46)
2	Accelya Solutions Americas Inc. 1405 Plymouth Road North Brunswick, NJ 08902, USA Phone – (+1) 305 552 6094	Not Applicable	Subsidiary	100	2(87)
3	Accelya Solutions UK Limited Acre House, 11/15 William Road, London, NW13ER	Not Applicable	Subsidiary	100	2(87)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## A) Category-wise Share Holding

Category of Shareholders	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>PROMOTER AND PROMOTER GROUP</b>									
Indian									
Individual /HUF	-	-	-	-	-	-	-	-	-
Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(1) :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FOREIGN</b>									
Individuals (NRIs / Foreign Individuals)	-	-	-	-	-	-	-	-	-
Bodies Corporate	11,143,295	-	11,143,295	74.66	11,143,295	-	11,143,295	74.66	-
Institutions	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(2)</b>	<b>11,143,295</b>	<b>-</b>	<b>11,143,295</b>	<b>74.66</b>	<b>11,143,295</b>	<b>-</b>	<b>11,143,295</b>	<b>74.66</b>	<b>-</b>
<b>Total A=A(1)+A(2)</b>	<b>11,143,295</b>	<b>-</b>	<b>11,143,295</b>	<b>74.66</b>	<b>11,143,295</b>	<b>-</b>	<b>11,143,295</b>	<b>74.66</b>	<b>-</b>
<b>PUBLIC SHAREHOLDING</b>									
<b>INSTITUTIONS</b>									
Mutual Funds /UTI	633,190	0	633,190	4.24	36,282	0	36,282	0.24	-4.00
Financial Institutions / Banks	9,293	200	9,493	0.06	600	200	800	0.01	-0.06
Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Foreign Institutional Investors	90,852	0	90,852	0.61	76,058	0	76,058	0.51	-0.10
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total B(1)</b>	<b>733,335</b>	<b>200</b>	<b>733,535</b>	<b>4.91</b>	<b>112,940</b>	<b>200</b>	<b>113,140</b>	<b>0.76</b>	<b>-4.16</b>



Category of Shareholders	No. of Shares Held at the Beginning of the Year				No. of Shares Held at the End of the Year				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>NON-INSTITUTIONS</b>									
Bodies Corporate	1,005,300	200	1,005,500	6.74	1,268,071	200	1,268,271	8.50	1.76
Individuals									
(i) Individuals holding nominal share capital upto ₹ 1 lakh	1,514,767	77,973	1,592,740	10.67	1,789,969	72,156	1,862,125	12.48	1.81
(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	236,899	-	236,899	1.59	247,103	-	247,103	1.66	0.07
Others									
Clearing Members	8,527	-	8,527	0.06	102,802	-	1,02,802	0.69	0.63
Foreign Nationals	1,557	7500	9,057	0.06	1,557	7,500	9,057	0.06	0.00
I E P F	47,566	-	47,566	0.32	55,070	-	55,070	0.37	0.05
NBFC	-	-	-	0.00	8,925	-	8,925	0.06	0.06
Non-Resident Indians (NRI)	70,385	4,472	74,857	0.50	48,329	4,472	52,801	0.35	-0.15
NRI Non-Repatriation	<b>73,722</b>	-	<b>73,722</b>	<b>0.49</b>	<b>62,439</b>	-	<b>62,439</b>	<b>0.42</b>	<b>-0.08</b>
Trusts	563	-	563	0.00	520	-	520	0.00	0.00
Qualified Foreign Investor	-	-	-	0.00	-	-	713	0.00	0.00
<b>Sub-Total B(2)</b>	<b>2,959,286</b>	<b>90,145</b>	<b>3,049,431</b>	<b>20.43</b>	<b>3,584,785</b>	<b>84,328</b>	<b>3,669,826</b>	<b>24.58</b>	<b>4.15</b>
<b>Total B=B(1)+B(2)</b>	<b>3,692,621</b>	<b>90,345</b>	<b>3,782,966</b>	<b>25.34</b>	<b>3,697,725</b>	<b>84,528</b>	<b>3,782,966</b>	<b>25.34</b>	<b>0.00</b>
<b>Total (A+B)</b>	<b>14,835,916</b>	<b>90,345</b>	<b>14,926,261</b>	<b>100.00</b>	<b>14,841,020</b>	<b>84,528</b>	<b>14,926,261</b>	<b>100.00</b>	<b>0.00</b>
Shares held by custodians, against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A+B+C) :</b>	<b>14,835,916</b>	<b>90,345</b>	<b>14,926,261</b>	<b>100.00</b>	<b>14,841,020</b>	<b>84,528</b>	<b>14,926,261</b>	<b>100.00</b>	<b>0.00</b>

**B) Shareholding of Promoter**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Accelya Holding World S.L.	11,143,295	74.66	-	11,143,295	74.66	-	-

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	11,143,295	74.6556	11,143,295	74.6556
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
		11,143,295	74.6556	11,143,295	74.6556

During the year, Accelya Group Bidco Limited ("AGBL") (formerly Aurora UK Bidco Limited) had acquired 21,81,773 equity shares under the Open Offer made the public shareholders of the Company. These shares were sold by AGBL on 10th & 11th June under an Offer for Sale made through the stock exchange mechanism to the retail and non-retails investors. As on 30th June, 2021, AGBL does not hold any shares in the Company



## D) Shareholding Pattern of top ten Shareholders (Other than Directors and Promoters)

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in shareholding	Reason	Shareholding at the end of the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	SBI Magnum Global Fund	271,233	1.82	30/06/2020	-			
				03/07/2020	-271,233	Sale	-	-
				30/06/2021			-	-
2	VLS Finance Limited	261,218	1.75	30/06/2020				
				06/11/2020	-261,218	Sale	-	-
				30/06/2021	-	-	-	-
3	Rajasthan Global Securities Private Limited	172,810	1.16	30/06/2020	-	-	-	-
				03/07/2020	166,126	Purchased	338,936	2.27
				10/07/2020	-17,024	Sale	321,912	2.16
				04/08/2020	-33,000	Sale	288,912	1.94
				01/08/2020	-100,000	Sale	188,912	1.27
				04/09/2020	-115,545	Sale	73,367	0.49
				11/09/2020	6,527	Purchased	79,894	0.54
				18/09/2020	-7,322	Sale	72,572	0.49
				25/09/2020	138,178	Purchased	210,750	1.41
				30/09/2020	18,801	Purchased	229,551	1.54
				02/10/2020	1,879	Purchased	231,430	1.55
				09/10/2020	118,805	Purchased	350,235	2.35
				16/10/2020	46,790	Purchased	397,025	2.66
				06/11/2020	-397,025	Sale	-	0.00
				11/06/2021	47,410	Purchased	47,410	0.32
18/06/2021	-47,410	Sale	-	0.00				
25/06/2021	1,437	Purchased	1,437	0.01				
30/06/2021			-	-				
4	Edelweiss Multi Strategy Investment Trust - Edelweiss Alternative Equity Scheme	161,491	1.08	30/06/2020				
				24/07/2020	-34,552	Sale	126,939	0.85
				31/07/2020	-37,819	Sale	89,120	0.60
				07/08/2020	-89,120	Sale	-	-
				30/06/2021			-	-
5	Edelweiss Custodial Services Limited	158,547	1.06	30/06/2020				
				03/07/2020	-2,926	Sale	155,621	1.04
				10/07/2020	1,518	Purchase	157,139	1.05
				17/07/2020	-1,486	Sale	155,653	1.04

Sr. No.	Name	Shareholding at the beginning of the Year		Dates	Increase / (Decrease) in shareholding	Reason	Shareholding at the end of the Year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
				24/07/2020	74,526	Purchase	2,30,179	1.54
				31/07/2020	1,266	Purchase	2,31,445	1.55
				07/08/2020	-2,061	Sale	2,29,384	1.54
				14/08/2020	132	Purchase	2,29,516	1.54
				21/08/2020	54,517	Purchase	2,84,033	1.90
				28/08/2020	-7,644	Sale	2,76,389	1.85
				04/09/2020	-2,76,356	Sale	33	0.00
				30/06/2021				
6	Avalokiteshvar Valinv Limited	86,317	0.58	30/06/2020				
				06/11/2020	-86,317	Sale	-	-
				30/06/2021			-	-
7	Ambara Capital	54,259	0.36	30/06/2020			-	-
				03/07/2020	12,000	Purchase	66,259	0.44
				10/07/2020	12,500	Purchase	78,759	0.53
				18/09/2020	15,000	Purchase	93,759	0.63
				06/11/2020	-93,759	Sale	-	-
				30/06/2021	-			
8	Vishwamukh Trading LLP	51,249	0.34	30/06/2020				
				06/11/2020	-51,249	Sale	-	-
				30/06/2021			-	-
9	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	47,566	0.32	30 Jun 2020				
				28/08/2020	1,529	Transfer	49,095	0.33
				18/09/2020	-50	Sale	49,045	0.33
				30/09/2020	954	Transfer	49,999	0.33
				02/10/2020	500	Transfer	50,499	0.34
				18/12/2020	4,352	Transfer	54,851	0.37
				31/12/2020	14	Transfer	54,865	0.37
				30/04/2021	202	Transfer	55,067	0.37
				07/05/2021	3	Transfer	55,070	0.37
				30/06/2021	-		-	-
10	Jatinder Agarwal	40,000	0.27	30/06/2020				
				17/07/2020	-30,886	Sale	9,114	0.06
				24/07/2020	-9,114	Sale	-	0.00
				30/09/2021	-			





## E) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Director	Shareholding at the beginning of the year		Shares purchased / (sold) during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	John Johnston	-	-	-	-	-	-
2	Neela Bhattacharjee	2,089	0.01	-	-	2,089	0.01
3	Jose Maria Hurtado	-	-	-	-	-	-
4	Sekhar Natarajan	-	-	-	-	-	-
5	Nani Javeri	-	-	-	-	-	-
6	Sangeeta Singh	-	-	-	-	-	-
7	Amol Gupte	-	-	-	-	-	-

Sr. No.	Name of Key Managerial Personnel	Shareholding at the beginning of the year		Shares purchased / (sold) during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gurudas Shenoy – Chief Financial Officer	2,165	0.01	- 2,000	0.01	165	0.00
2	Ninad Umranikar – Company Secretary	4,595	0.03	-4594	0.03	1	0.00

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

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

## VI. Remuneration of Directors and Key Managerial Personnel

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

Sr. No.	Particulars of Remuneration	Neela Bhattacharjee	Amount in Rs.
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39,970,948	39,970,948
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify...		
5	Others, please specify	-	-
	<b>Total</b>	<b>39,970,948</b>	<b>39,970,948</b>

## B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors						Amount in Rs.
		Sekhar Natarajan	Nani Javeri	Sangeeta Singh	Amol Gupte	Jose Maria Hurtado	John Johnston	
		Independent Directors				Non-Executive Directors		
1	Fee for attending board and committee meetings	690,000	870,000	870,000	30,000	-	-	
2	Commission	100,000	100,000	100,000	100,000	-	-	
3	Others, please specify	-	-	-	-	-	-	
	<b>Total</b>	<b>790,000</b>	<b>970,000</b>	<b>970,000</b>	<b>130,000</b>	<b>-</b>	<b>-</b>	

## C. Remuneration to Key Managerial Personnel Other Than Managing Director / Manager / Whole-time Director (Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Ninad Umranikar (Company Secretary)	Gurudas Shenoy (CFO*)	Uttamkumar Bhati (CFO**)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,846,664	5,708,254	2,656,072	12,210,990
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	55,800	-	55,800



	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission	-	-	-	
	- as % of profit	-	-	-	
	others, specify...	-	-	-	
5	Others, please specify	-	-	-	
	<b>Total</b>	<b>3,846,664</b>	<b>5,764,054</b>	<b>2,656,072</b>	<b>12,266,790</b>

\* from 1st July 2020 to 15th February, 2021

\*\* from 15th February, 2021 to 30th June, 2021

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

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

**Shrimanikandan Ananthavaidyanathan**

**Managing Director**

(DIN: 01912483)

Place : Chennai

Date: 5th August, 2021

**John Johnston**

**Chairman**

(DIN: 07258586)

London

## Annexure 'G'

## BUSINESS RESPONSIBILITY REPORT

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

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	L74140PN1986PLC041033
2.	Name of the Company:	Accelya Solutions India Limited
3.	Registered address:	Accelya Enclave, 685 / 2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037
4.	Website:	w3.accelya.com
5.	E-mail id:	accelyaIndia.investors@accelya.com
6.	Financial Year reported:	1 July, 2020 – 30 June, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Computer Programming, Consultancy and Related activities
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	i) Business Process Outsourcing (ITeS) ii) Software Application Hosting and Support iii) Software License and Maintenance
9.	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations (Provide details of major 5):	Nil (On a standalone basis)
	(b) Number of National Locations:	3
10.	Markets served by the Company – Local/ State/National/International:	National and International

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital:	₹ 1492.69 lakhs
2.	Total Turnover:	₹ 25,101.04 lakhs
3.	Total profit after taxes:	₹ 4,519.34 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	2%
5.	List of activities in which expenditure in 4 above has been incurred:	Refer Annexure 'D' to Directors Report.

## SECTION C: OTHER DETAILS

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



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

**SECTION D: BR INFORMATION**

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

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

1	DIN	09192936
2	Name	Mr. Shrimanikandan Ananthavaidhyanathan
3	Designation	Managing Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	09192936
2	Name	Mr. Shrimanikandan
3	Designation	Managing Director
4	Telephone number	022-6856 8888
5	E-mail id	mani.a@accelya.com

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

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

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

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

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

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

**Principle 1**

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group /Joint Ventures / Suppliers / Contractors / NGOs / Others?  
The Anti-Bribery and Anti-Corruption Policy is applicable to the Accelya group including the Company and extends to all the stakeholders.
- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.  
The Company did not receive any whistle blower complaints received during the financial year 2020-21.

**Principle 2**

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

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

- For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
  - Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?  
Not Applicable
  - Reduction during usage by consumers (energy, water) has been achieved since the previous year?  
Not Applicable
- Does the company have procedures in place for sustainable sourcing (including transportation)?  
Yes, the Company has procedures in place for sustainable sourcing including transportation.



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

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

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

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

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

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

**Principle 3**

1. Please indicate the Total number of employees.

1,201

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

53

3. Please indicate the Number of permanent women employees.

485

4. Please indicate the Number of permanent employees with disabilities

3 employees

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

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

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

Not Applicable

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

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

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?
- Permanent Employees
  - Permanent Women Employees
  - Casual/Temporary/Contractual Employees
  - Employees with Disabilities

**Safety training:** The office is completely shut due to lock down for Covid -19 pandemic and hence the safety training was not conducted for employees (all categories). Only the security team on duty has been provided with the safety training on 9th November 2020 & 26th March 2021.

**Skill up-gradation training:** The break-up data in terms of gender or disabilities is not available. We do not provide training to Casual/Temporary / Contractual Employees.

#### Principle 4

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

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

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

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

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

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

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

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

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

- Catalysts for Social Action (CSA), an NGO, with a focus on improving living conditions, developmental aspects and aftercare support for children in childcare institutions/orphanages and on increasing the number of children available in the adoption stream and;
- Seva Sadan Society, an NGO, set up IN 1908 with the intention to provide refuge to destitute women, support and educate young girls and empower young women from underprivileged backgrounds. Over the years, the Society has broadened its support to include the holistic development of the girl child and provide high quality education to marginalized children from neighbouring communities.

#### Principle 5

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

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





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

During the financial year 2020-21, the Company did not receive any complaint under the Prevention of Sexual harassment of Women at Workplace.

**Principle 6**

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

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

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

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

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

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

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

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

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

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

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

Yes

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

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

**Principle 7**

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

No.

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

Not Applicable.

**Principle 8**

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

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

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

**A. Projects undertaken through CSA**

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

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

**B. Projects undertaken through Seva Sadan**

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

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

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

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

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

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

The Company has not undertaken a separate impact assessment with respect to the CSR initiatives run through Catalyst for Social Action and Seva Sadan Society.



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

**Project undertaken through CSA**

Project Sambhav – ₹ 235.90 lakhs

**Project undertaken through Seva Sadan**

Residential Home, pre-primary Marathi medium school, primary & secondary Marathi medium school and English medium school (infrastructure upgrade), upgrade of computer lab and create playground – all managed by Seva Sadan Society – ₹ 41.30 lakhs

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

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

**For Project undertaken through CSA**

- i) Signing off a Memorandum of Understanding – This ensures the allied home's/orphanage's leadership buy-in to the various engagements and their participation in a collective approach of planning and execution of various childcare activities.
- ii) Quarterly review and brainstorming meetings with the senior leadership and home management team – This process helps in efficient planning around child centric requirements and timely implementation by collective participation by the home staff and CSA location Staff.
- iii) CCI Evaluation System – The annual CCI assessment helps to understand the current state of the existing childcare and initiatives taken to upgrade the holistic child care practices at allied CCIs.

**For Project undertaken through Seva Sadan Society**

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

**Principle 9**

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

For financial year 2020-21, we have addressed all customer complaints and there are no pending customer complaints.

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

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

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

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

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

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

## Annexure 'H'

### Conservation of Energy

The range of activities of your Company require minimal energy consumption and every endeavour has been made to ensure optimal utilization of energy and avoid wastage through automation and deployment of energy-efficient equipment.

Your Company takes adequate measures to reduce energy consumption by using efficient computer terminals and by using latest technology. The impact of these efforts has enhanced energy efficiency. As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and measured.

### Technology Absorption

Your Company, in its endeavour to obtain and deliver the best, adopts the best technology in the field, upgrades itself continuously.

### Research and Development (R&D)

Your Company has a well-equipped Research and Development team carrying on research and development activities.

The total expenditure incurred on Research and Development during the year 2020-21 was ₹ 893.91 lakhs.

### Foreign exchange earning and outgo

During the year 2020-21, the foreign exchange earnings stood at ₹ 22,896.49 lakhs and foreign exchange outgo stood at ₹ 1,960.19 lakhs.

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

**Shrimanikandan Ananthavaidhyanathan**  
**Managing Director**  
(DIN : 09192936)

**John Johnston**  
**Chairman**  
(DIN : 07258586)

Place : Chennai  
Date : 5th August, 2021

London



### Corporate Governance Report

The importance of maintaining high ethical standards by the corporate sector for ensuring its long term sustainable growth has been universally accepted. It is in this context that development of best practices of corporate governance and rating of companies is increasingly becoming very relevant.

Your Company believes that good corporate governance enhances accountability and increases shareholder value. Corporate Governance is a set of guidelines to fulfill its responsibilities to all its stakeholders i.e. investors, customers, vendors, government, employees. Good corporate governance has been an integral part of the Company's philosophy.

The Company believes that good corporate governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory requirements.

The Company is focused on good governance, which is a key driver of sustainable growth and enhanced shareholder value.

### Board Composition

As on 30th June, 2021, the Company had seven directors consisting of a non-Executive Chairman, one Managing Director, one non-executive non-independent director and four independent directors.

### Board Meetings

Seven Board Meetings were held during the financial year 2020-21.

### Directorship in other companies / committee position as on 30 June, 2021 and Matrix setting out the skills/expertise/competence of Board of Directors

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

\* Membership/Chairmanship in Audit and Stakeholders' Relationship Committees of all public limited companies, whether listed or not, including Accelya Solutions India Limited.

\*\* Chairmanship in Audit and Stakeholders' Relationship Committees excluding the membership.

The details of attendance of Directors at Board Meetings either in person or through video conference during the financial year 2020-21 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

Name of Director	Attendance at Board Meetings*							Attendance at AGM
	20th August, 2020	27th October, 2020	29th January, 2021	15th April, 2021	30th April, 2021	20th May, 2021	22nd June, 2021	28th October, 2020
Neela Bhattacharjee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
John Johnston	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sekhar Natarajan	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Jose Maria Hurtado	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Amol Gupte#	-	-	-	-	-	-	Yes	-

\* All the meetings held in financial year 2020-21 were conducted through video conferencing

# Appointed director on 20th May, 2021

### Familiarisation Programme

The Company presents to the Independent Directors on a quarterly basis, information on business performance, operations, financials, working capital, fund flows, compliances, contribution towards CSR activities etc. Such presentations provide an opportunity to the Independent Directors to understand the Company's strategy, business model, operations, service and product offerings, markets, organisation structure, finance, human resources etc.

The Independent Directors are given a copy of latest Annual Report, the code of conduct for directors & senior management and code of conduct under SEBI (Prohibition of Insider Trading) Regulations. The Company issues Appointment Letters to Independent Directors containing therein, term of appointment, roles, duties & responsibilities, code of conduct, remuneration, performance evaluation process etc.

The Independent Directors are provided updates on changes / developments in the business scenario and changes in statutes / legislations. The Familiarisation programme, a sample letter of appointment / re-appointment containing the terms and conditions, issued to the Independent Directors and the code of conduct for directors and senior management, is available on the website of the Company on the following link:

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

### Performance Evaluation

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

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

The Independent Directors, at their separate meeting, reviewed the performance of Non-Independent Directors and the Board as a whole taking into consideration the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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



### Board Committees

Currently Board has six committees –

- i) Audit Committee
- ii) Stakeholders Relationship Committee
- iii) Nomination and Remuneration Committee
- iv) Risk Management Committee
- v) Corporate Social Responsibility Committee
- vi) Share Transfer Committee

None of the Directors of the Company is a member of more than ten committees or acts as a Chairman of more than five committees across all companies in which he is a Director. In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone is considered.

### Composition of Committees

#### i) Audit Committee

The Audit Committee met five times during the financial year 2020-21. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2020-21 are detailed below:

Name of Member	Attendance at Audit Committee Meetings*				
	20 <sup>th</sup> August, 2020	27 <sup>th</sup> October, 2020	29 <sup>th</sup> January, 2021	30 <sup>th</sup> April, 2021	22 <sup>nd</sup> June, 2021
Sekhar Natarajan^	Yes	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes	Yes

\* All the meetings held in financial year 2020-21 were conducted through video conferencing

^ Chairman of the Committee

### Terms of Reference

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management
  - iv. Significant adjustments made in the financial statements arising out of audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft audit report
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower mechanism;
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## ii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee met four times during the financial year 2020-21. The composition of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2020-21 are detailed below:

Name of Member	Attendance at Stakeholders Relationship Committee Meetings*			
	20 <sup>th</sup> August, 2020	27 <sup>th</sup> October, 2020	29 <sup>th</sup> January, 2021	30 <sup>th</sup> April, 2021
Sekhar Natarajan <sup>^</sup>	Yes	Yes	Yes	Yes
Nani Javeri	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes

\* All the meetings held in financial year 2020-21 were conducted through video conferencing

<sup>^</sup> Chairman of the Committee





### Terms of Reference

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

### Name and Designation of Compliance Officer

Ninad G. Umranikar – Company Secretary

### iii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee met seven times during the financial year 2020-21. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2020-21 are detailed below:

Name of Member	Attendance at Nomination and Remuneration Committee*						
	20 <sup>th</sup> August, 2020	29 <sup>th</sup> January, 2021	15 <sup>th</sup> March, 2021	15 <sup>th</sup> April, 2021	30 <sup>th</sup> April, 2021	20 <sup>th</sup> May, 2021	22 <sup>nd</sup> June, 2021
Sangeeta Singh <sup>^</sup>	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sekhar Natarajan	Yes	Yes	Yes	Yes	Yes	No	Yes
Nani Javeri	Yes	Yes	Yes	Yes	Yes	Yes	Yes
John Johnston	Yes	Yes	Yes	Yes	Yes	Yes	Yes

\* All the meetings held in financial year 2020-21 were conducted through video conferencing

<sup>^</sup> Chairman of the Committee

### Terms of Reference

- i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- ii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- iii) while formulating the policy under (ii) above, ensure that—
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### Remuneration Policy

Remuneration to Managing Director is paid in accordance with the provisions of the Companies Act, 2013 ("the Act"). Commission is paid to Managing Director and to independent non-executive directors which does not exceed such percentage of the net profits of the Company as is specified under the Act. Sitting Fees are paid to independent directors for attending every meeting of the Board of Directors or committee thereof.

**Remuneration to Managing Director**

During the year, Ms. Neela Bhattacharjee was paid ₹ 399.71 lakhs towards remuneration.

**Stock Options**

Ms. Neela Bhattacharjee was not granted any stock options during the year.

**Service Contract, Notice Period and Severance Fees**

Ms. Neela Bhattacharjee was re-appointed as Managing Director for a period of 3 years from 1st July, 2018. Ms. Bhattacharjee may resign by giving 3 months' notice in writing to the Company without any severance fees.

**Remuneration to Non-Executive Directors**

Commission – ₹ 400,000/-

Sitting Fees – ₹ 2,460,000/-

Commission of ₹ 100,000/- is paid to each independent director subject to a maximum of 1% of the net profit of the Company. A sum of ₹ 30,000/- is paid to each independent director for attending a meeting of the Board of Directors or Committee thereof (apart from Share Transfer Committee Meeting).

**Stock Options to Non – Executive Directors**

The non-executive directors were not given any stock options during the year.

**No. of equity shares held by Non – Executive Directors**

As on 30th June, 2021, none of the non-executive directors held any equity share in the Company.

**iv) Risk Management Committee**

The Risk Management Committee met once during the financial year 2020-21. The composition of the Risk Management Committee of the Board of Directors of the Company along with the details of the meeting held and attended during the financial year 2020-21 are detailed below:

Date of the Meeting	27th October, 2020
Name of Member	Attendance at Risk Management Committee Meeting*
Sekhar Natarajan^	Yes
Nani Javeri	Yes
Sangeeta Singh	Yes

\* The meeting was conducted through video conferencing

^ Chairman of the Committee

**Terms of reference**

- Annually review and approve the Risk Management Policy and associated frameworks, policies and practices of the Company.
- Evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
- Access any internal information necessary to fulfill its oversight role.
- Authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

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



**v) Share Transfer Committee**

The Share Transfer Committee met 4 times during the financial year 2020-21. The composition of the Share Transfer Committee of the Board of Directors of the Company is detailed below:

Name of Member	Category
John Johnston^	Non-Executive Non-Independent Director
Neela Bhattacharjee	Managing Director
Uttamkumar Bhati	Chief Financial Officer
Ninad Umranikar	Company Secretary

^ Chairman of the Committee

**Terms of reference**

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

**vi) Corporate Social Responsibility Committee**

The Corporate Social Responsibility (CSR) Committee met four times during the financial year 2020-21. The composition of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2020-21 are detailed below:

Name of Member	Attendance at CSR Committee Meetings			
	20 <sup>th</sup> August, 2020	29 <sup>th</sup> January, 2021	20 <sup>th</sup> May, 2021	22 <sup>nd</sup> June, 2021
Nani Javeri ^	Yes	Yes	Yes	Yes
Sangeeta Singh	Yes	Yes	Yes	Yes
John Johnston	Yes	Yes	Yes	Yes

\* All the meetings held in financial year 2020-21 were conducted through video conferencing

^ Chairman of the Committee

**Terms of reference**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

**vii) Meeting of Independent Directors**

One meeting of Independent Directors was held during the year to discuss the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The details of the meeting held and attended during the financial year 2020-21 are detailed below:

Date of the Meeting	28th August, 2020
Name of Member	Attendance at Independent Directors' Meeting*
Sekhar Natarajan^	Yes
Nani Javeri	Yes
Sangeeta Singh	Yes

\* The meeting was conducted through video conferencing

^ Chairman of the Committee

**Quorum for Board & Committee Meetings**

Quorum for Board as well as Committee Meetings is one third or two directors / members of committees, as the case may be, whichever is higher.

**General Body Meetings**

Particulars of Annual General Meetings held during last three years:

**Year 2018 Annual General Meeting dated 10th October, 2018 – at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Maharashtra Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 at 12 noon.**

**Special Resolutions were passed for:**

1. Continuation of Dr. K. K. Nohria as an Independent Director of the Company for compliance of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018)
2. Re-appointment of Ms. Neela Bhattacharjee as Managing Director and approval of remuneration payable to her.

**Year 2019 Annual General Meeting dated 24th October, 2019 – at Navalmal Firodia Seminar Hall No. 4 & 5, 'A Wing', 5th Floor, Maharashtra Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 at 12 noon.**

**Special Resolutions were passed for:**

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

**Year 2020 Annual General Meeting dated 28th October, 2020 held through video conferencing / other audio visual means at 2.30 p.m..**

**No Special Resolution was proposed / passed.**

**Special Resolution passed through Postal Ballot in 2020-21**

**Special Resolution was passed on 20th June, 2021 for payment of remuneration of Ms. Neela Bhattacharjee in excess of 5% of the estimated net profits of the Company.**

**Means of communication**

Half yearly report sent to each household of Shareholder:	No
Quarterly results:	
Which newspapers normally published in:	Financial Express & Loksatta
Any website where displayed:	w3.accelya.com
Whether it also displays official news releases and presentations made to institutional investors or to analysts:	Yes
Whether MD&A is a part of annual report or not:	Yes



## General Shareholder Information

<b>1</b>	<b>Annual General Meeting</b>				
	Date	Wednesday, 27 <sup>th</sup> October, 2021			
	Time	2.30 p.m.			
	Venue	The Company is conducting meeting through Video Conference / Other Audio Visual Means pursuant to the MCA Circular dated 5th May, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.			
<b>2</b>	<b>Registered Office Address</b>		Accelya Enclave, 685/2B & 2C, 1 <sup>st</sup> Floor, Sharada Arcade, Satara Road, Pune - 411 037		
<b>3</b>	<b>Financial Calendar</b>				
	<b>Financial Year</b>		<b>1<sup>st</sup> July to 30<sup>th</sup> June</b>		
	The tentative calendar of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 30th June, 2022 is given below:				
	<b>Quarter /Year ended</b>		<b>Month of approval of Financial Results</b>		
	30 <sup>th</sup> September, 2021		October / November, 2021		
	31 <sup>st</sup> December, 2021		January / February, 2022		
	31 <sup>st</sup> March, 2022		April / May, 2022		
	30 <sup>th</sup> June, 2022		July / August, 2022		
<b>4</b>	<b>Details of the dividend declared and paid by the company in 2020-21 are as follows:</b>				
	Interim Dividend for 2020-21		17th February, 2021		
<b>5</b>	<b>Listing Details</b>				
	<b>Name of the Stock Exchange &amp; Stock Codes</b>		<b>Address</b>		
	BSE Limited (BSE) – 532268		Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001 Tel.: (022) 22721233 / 34		
	National Stock Exchange of India Limited (NSE) – ACCELYA		Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra, (East), Mumbai – 400 051, Tel.: (022) 2659 8100 –14		
	ISIN for Depositories		INE793A01012		
	The Company has paid listing fees to BSE and NSE for 2020-2021.				
<b>6</b>	<b>Accelya Solutions India Limited Share Price (NSE) Vs. NSE S&amp;P CNX Nifty Index</b>				
	<b>Month</b>	<b>Accelya Solutions India Limited Share Price (₹)</b>		<b>NSE S&amp;P CNX Nifty</b>	
		High	Low	High	Low
	July, 2020	1,014.40	916.10	11,341.40	10,299.60
	August, 2020	1,068.05	971.35	11,794.25	10,882.25
	September, 2020	1,066.15	1,013.85	11,618.10	10,790.20
	October, 2020	1,064.00	835.35	12,025.45	11,347.05
	November, 2020	980.00	800.00	13,145.85	11,557.40
	December, 2020	1,066.95	856.05	14,024.85	12,962.80
	January, 2021	997.55	908.05	14,753.55	13,596.75
	February, 2021	999.00	885.05	15,431.75	13,661.75
	March, 2021	940.00	842.55	15,336.30	14,264.40

	April, 2021	1,020.00	837.15	15,044.35	14,151.40
	May, 2021	1,110.00	844.35	15,606.35	14,416.25
	June, 2021	1,263.90	995.20	15,915.65	15,450.90
<b>7</b>	<b>Registrar and Share Transfer Agent (address for correspondence)</b>				
	<b>Name</b>	<b>Address and contact details</b>			
	<b>KFin Technologies Private Limited</b>	Selenium, Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 Tel. No. (040) 67162222 Fax No. (040) 23001153 Email: einward.ris@kfintech.com Contact Person: Mr. Mohammed Mohsinuddin			
<b>8</b>	<b>Share Transfer System</b>				
	The Securities and Exchange Board of India has mandated transfer of securities only in dematerialized form with effect from 1 <sup>st</sup> April, 2019, barring certain instances.				
	The shares lodged for transmission, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects. The Share Transfer Committee has been delegated the authority to approve the transfer, transmission, dematerialization of shares etc. A summary of approved transfers, transmissions, dematerialization of shares, etc. is placed before the Board of Directors from time to time as per the Listing Regulations.				
<b>9</b>	<b>Break-up of shareholding in physical and demat mode (as on 30th June, 2021)</b>				
	<b>Type of Holding</b>	<b>Percentage to Share Capital</b>			
	Physical	0.5663			
	Dematerialized	99.4337			
	Total	100.00%			
<b>10</b>	<b>Investor Complaints</b>				
	The Company has set up a Stakeholders Relationship Committee, which monitors overall investor complaints in co-ordination with the Company Secretary and the Registrar & Share Transfer agents.				
	During the year, the Company / R & T Agents have received 21 shareholder complaints all of which were resolved during the year and there were no complaints pending at the end of the year.				
<b>11</b>	<b>Distribution of Shareholding as on 30th June 2021</b>				
	<b>Shareholding Range</b>	<b>No. of Shareholders</b>	<b>Percentage</b>	<b>Shareholding</b>	<b>Percentage</b>
	1-500	19,967	96.5522	1,147,791	7.6897
	501- 1000	389	1.8810	307,266	2.0586
	1001- 2000	156	0.7544	229,755	1.5393
	2001- 3000	54	0.2611	138,420	0.9274
	3001- 4000	27	0.1306	98,118	0.6574
	4001- 5000	28	0.1354	134,982	0.9043
	5001- 10000	29	0.1402	206,543	1.3838
	10001 & Above	30	0.1451	12,663,386	84.8396
	<b>Total</b>	<b>20,680</b>	<b>100.0000</b>	<b>14,926,261</b>	<b>100.0000</b>



<b>12</b>	<b>Credit ratings and any revisions thereto for debt instruments or any fixed deposit programme or Any scheme or proposal involving mobilization of funds, whether in India or abroad</b>	
	The company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in india or abroad during the financial year ended 30th June, 2020. ICRA has given A1+ rating for short-term borrowings and long-term borrowings of the Company.	
<b>13</b>	<b>No pending complaints letters received from stock exchanges</b>	
	The details of 'no pending complaints' letters received from stock exchanges are provided below:	
	<b>Name of Stock Exchange</b>	<b>Date of Letter / Email</b>
	<b>NSE</b>	1 <sup>st</sup> October 2020 4 <sup>th</sup> January 2021 3 <sup>rd</sup> April 2021 1 <sup>st</sup> July 2021

### Other Disclosures

- There are no materially significant related party transactions i.e. transaction, material in nature, with its promoters, directors, their relatives or the management, subsidiaries of the Company etc. having potential conflict with the interests of the Company at large.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide a framework to promote responsible and secure whistle blowing process. It protects employees wishing to raise a concern about serious irregularities within the Company or its employees through an email or by a phone call to the Ombudsperson appointed under the Policy. Protected disclosures can be made by a whistle blower. We affirm that no personnel of the Company has been denied access to the audit committee.
- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:  
The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

#### Non-Mandatory Requirements

- The non-executive Chairman does not maintain Chairperson's office at the listed entity's expense and does not receive reimbursement of expenses incurred in performance of his duties.
  - The Company does not send half-yearly declaration of financial performance including summary of the significant events in last six-months to each household of shareholders.
  - During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
  - The internal auditors reports to the audit committee. They participate in the meetings of the Audit Committee of the Board of Directors of the Company and presents his internal audit observations to the Audit Committee.
- Subsidiary Companies**  
The policy for determining material subsidiaries can be accessed on the Company's website at the following link: <https://w3.accelya.com/accelya-solutions-india-limited-policies>.
  - Related Party Transactions**  
The policy on dealing with related party transactions can be accessed on the Company's website at the following link: <https://w3.accelya.com/accelya-solutions-india-limited-policies>.
  - Disclosure of commodity price risk and commodity hedging activities**  
The Company does not deal in commodities and hence disclosure relating to commodity price risk and commodity hedging activities is not required. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

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

The Company has not raised funds through preferential allotment or Qualified Institutional Placement during the financial year 2020-21.

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

A certificate from Nilesh A. Pradhan & Co., LLP, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Companies by Securities and Exchange Board of India (SEBI) Ministry of Corporate Affairs or any such Statutory Authority is annexed as part of this report.

**10. There was no instance during the financial year 2020-21 where the Board did not accept any recommendation of any committee of the Board which is mandatorily required.**

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

Total fees of ₹ 130.22 lakhs for financial year 2020-21, for all services, was paid by the Company to the statutory auditors.

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

The Company did not receive any complaint of sexual harassment during the financial year 2020-21.

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

### DECLARATION

Pursuant to Regulation 26(3) of SEBI Listing Regulations, I hereby declare that all Board members and senior management personnel have affirmed compliance with the code of conduct.

**Shrimanikandan Ananthavaidyanathan**  
Managing Director





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

To  
The Members  
Accelya Solutions India Limited

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

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company, we hereby certify that none of the Directors on the Board of the Company as on June 30, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

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

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

**Nilesh A. Pradhan**  
Partner

FCS No.: 5445

COP No.: 3659

PR :791/2020

UDIN: F005445B000596618

Place: Mumbai  
Date: 5<sup>th</sup> August, 2021

## Certificate of Corporate Governance

To  
The Members  
Accelya Solutions India Limited

We have examined the compliance of conditions of Corporate Governance by **Accelya Solutions India Limited** ("the Company"), for the year ended on June 30, 2020 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

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

**Nilesh A. Pradhan**  
Partner

FCS No.: 5445

COP No.: 3659

PR :791/2020

UDIN: F005445B000596618

Place: Mumbai  
Date: 5<sup>th</sup> August, 2021

## INDUSTRY OUTLOOK:

Covid-19 remains as the main challenge in the industry particularly due to rising cases and emergence of the new variants. We observed how it severely impacted the aviation and we have seen many airlines filed for bankruptcy while others have already ceased operations.

To survive the crisis, airlines have implemented furloughs, re-organization, and even airline consolidations. Many countries have also closed their borders restricting airlines to operate international travel.

Over the last months, the air travel industry is optimistic towards recovery significantly driven by the leisure travel within domestic and short-haul international markets. On the other hand, corporate travel is still behind the recovery and will not return until 2022 at the earliest.

As the travel continues to rebound, international air travel outlook still depends on key factors such as borders re-opening and ease of quarantine measures, as well as the progress of vaccine rollouts.

The International Air Transport Association (IATA) and Tourism Economics forecast highlights says:

- In 2021, global passenger numbers are expected to recover to 52% of pre-COVID-19 levels (2019).
- In 2022, global passenger numbers are expected to recover to 88% of pre-COVID-19 levels.
- In 2023, global passenger numbers are expected to surpass pre-COVID-19 levels (105%).
- By 2030, global passenger numbers are expected to have grown to 5.6 billion. That would be 7% below the pre-COVID-19 forecast and an estimated loss of 2-3 years of growth due to COVID-19.
- Beyond 2030 air travel is expected to slow, due to weaker demographics and a baseline assumption of limited market liberalization, giving average annual growth between 2019 and 2039 of 3.2%. IATA's pre-COVID-19 growth forecast for this period was 3.8%.

Airlines have also been actively participating in implementing the IATA Travel Pass Initiative – a digital health app that provides accurate information of travellers' certifications related to Covid-19 tests or vaccines. The initiative aims boost the consumer confidence level to travel again.

Airlines have also been shifting their focus and strategy including remodeling of aircrafts, network strategy, and digital investments such as airline retailing.

## ACCELYA GROUP'S STRATEGY:

Accelya continues to provide valuable services to the airline industry. With the acquisition of Farelogix, Accelya has been at the forefront of driving technology transformation within the airline industry that is undergoing structural changes. While the airline industry has been subject to tremendous stress due to COVID-19, the industry has been evolving to ensure that they continue to explore all avenues to stay nimble to bounce back as normalcy returns.

Effective financial management is at the heart of the airline business, with the significance greatly emphasized due to the disruption caused. Accelya's financial service provides vital decision support and reporting capabilities in these challenging times.

Farelogix, our new acquisition, continues to provide much-needed leadership and support airlines improve their distribution management. With NDC capabilities, Farelogix is helping the industry realize its offer and order management vision.

Our focus is to keep the long term objectives in balance with short term goals to ensure that we create the robust foundation for future growth while staying resilient in these ever-evolving business environments. We continue to



evolve our products and services to ensure that we continue our leadership position in the airline commercial and financial platform domain.

We continue to work with airlines and industry partners like IATA to ensure that our end to end commercial solutions help the airline during the recovery phase and beyond.

Our employees are at the heart of our growth. We have put in place the right set of rewards and opportunities to enable us to attract, nurture and retain the best talent

## **ACCELYA SOLUTIONS' MAJOR OFFERINGS:**

The Company continues to strengthen and consolidate its key solution areas – Financial Solutions and Industry Solutions.

### **Financial Solutions**

Last year's merger between Accelya Group and Farelogix, the Company is better positioned to partner with airline to cover the entire passenger journey. The Company put together roadmap to provide airlines solutions that map the entire Offer-to-Settlement cycle.

Revenue Accounting, Revenue Assurance and Cost Management continue to remain Company's key solutions.

With adoption of New Distribution Capabilities (NDC) standards, Airlines have now started their journey towards revamping their retailing capabilities. NDC provides airlines revenue opportunities through Differentiation of product offerings, Merchandizing (Ancillaries), personalization of offers and Dynamic Offers and Bundles. This year the Company has been working on providing the financial accounting side of NDC via its Order Accounting solution in line with IATA standards.

Accelya Solutions continue to partner with airlines to ensure accurate revenue declaration and control including plugging revenue leakages and improving the quality of revenue, better manage cost, risk, cash flow, profitability and overall business performance.

Revenue Accounting and Assurance: Revenue Accounting is a complex business process in an airline as it is responsible for accurate and timely revenue declaration, ensuring interline payments are billed correctly and all audit compliances are adhered with. In addition, crucial strategic decisions are made using revenue accounting data in an airline.

With over 25 years of experience and a leadership position in revenue accounting, the Company enables leading global airlines to streamline and simplify their revenue accounting processes. With adoption of NDC Accelya Order Accounting solution provides seamless transition to the new retailing world.

Moving over to Accelya Solutions' Revenue Assurance Services. This portfolio covers a wide gamut of audit services spanning the entire ticket lifecycle from original booking through to the completion of the journey. This is supported by comprehensive recovery services — from raising of Agent Debit Memos (ADMs) to fund collection. The services include Sales Audit, Refund Management and BIDT Audit.

Cost Management: Accelya Solutions' Cost Management Solutions enable airlines to manage their costs more smartly. It automates the payables process, provides deeper insights into the costs, and facilitates wiser, more profitable decisions every day. As a result, airlines can control supplier overpayments and transform their procure-to-pay cycle.

### **Industry Partnerships**

ATPCO: The Company continues to provide NFP (Neutral Fare Proration) under ATPCO's RASS (Revenue Accounting Settlement Services) powered by industry recognized APEX® Proration Engine.

IATA: As an IATA Strategic Partner, the Company is involved in various engagements. During the Covid times the relationship has been further extended and strengthened. Some of the initiatives the Company is involved are as below:

**NDC & One Order:** The Company is actively involved in IATA's retailing initiative of NDC & One Order since inception of the initiative. The relationship was further extended to involve Settlement with Orders.

## **SIS Development & Support**

The Company is providing high quality support to IATA's Simplified Invoicing Settlement (SIS) platform to meet quality, system and information security standards as expected by IATA.

## **ACCELYA SOLUTIONS' UPDATES**

### **Revenue Assurance**

- Travel restrictions and uncertainty around lockdowns meant Airlines were suspending services which lead to an unprecedented surge in Refunds. There was a huge pressure on the Airlines to process refunds in a timely manner to retain travel partners and yet secure as much cash as possible. Given the experiences pool of resources available, the Company was able to ramp up resources to work very closely with their Refund Management customers to process these refunds as per the Airlines requirements and timelines.

### **Revenue Accounting**

- The focus for flagship offering of the Company Revenue Accounting for the year was to align itself with IATA's NDC and One Order initiative. In line with this objective the Company was IATA certified for its One Order Accounting solution.
- The Company was also actively engaged with IATA for the extension on the Order settlement side with the Settlement with Orders (SwO) initiative. The newer version of the product will comply to Settlement with Order requirements by Q1 FY 22.
- The Company tailored its implementation processes to successfully onboard new customers remotely.

### **Cost Management**

The Company launched a new baseline version 5.0 of Cost Management offering was launched in the market. Customers will be consolidated on the newer version which led to lower support costs for the Company and new enhanced functionality for its customers.

## **ACCELYA SOLUTIONS' STRENGTHS AND OPPORTUNITIES:**

### **Business Focus, Expertise and Continuous Investment in Products and Services**

The Company commands a significant advantage in terms of business domain knowledge and emerging industry changes. Years of experience have provided the Company with a strong base of Intellectual Property and Intellectual Capital. It is seen as a trusted advisor to airline CFOs, placing them right next to the CEOs. The Company is in a unique position to impact the complete offer-to-settlement and procure-to-pay cycles of airlines.

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

Travel restrictions and uncertainty around lockdowns meant Airlines were suspending services which lead to an unprecedented surge in Refunds. There was a huge pressure on the Airlines to process refunds in a timely manner to retain travel partners and yet secure as much cash as possible. Given the experiences pool of resources available, Accelya Solutions were able to ramp up resources to work very closely with their Refund Management customers to process these refunds as per the Airlines requirements and timelines.

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



## Ready for the Evolving Airline Distribution Landscape

The Company welcomes, and is aligned with, the upcoming industry changes with respect to IATA's NDC and One Order initiatives. The Company's accounting solution is already certified by IATA as being NDC and One Order capable and is ready to handle the distribution landscape of the future. With Farelogix's proven solutions for NDC and offer/order management, the Group (and the Company) can realize the vision of a new airline platform spanning the entire lifecycle from offer to settlement and play a larger role in the airline ecosystem.

## Neutral Service Provider

Accelya Solutions is a neutral service provider and is not governed by any competing airlines. The Company's platforms and processes are independent of any airline strategic roadmap. Confidentiality and security of customer data are of utmost importance to the Company.

## Data Protection

The Company takes data privacy very seriously and has relevant controls and compliances in place including PCI DSS 3.2 and ISO 27001: 2015. All of the Company's products and services meet the new privacy standards as per the EU General Data Protection Regulation (GDPR) regulations.

## Single Vendor Accountability

Accelya Solutions has pioneered the concept of platform-based outsourcing in the airline industry. The Company takes complete accountability of the outcome as per the Service Level Agreements (SLAs). It also takes the responsibility for maintaining and upgrading the platform, processes and people skills in line with industry best practices and client requirements.

## Relationship with Customers

Accelya Solutions values long-term relationship with its customers. The ability to forge effective and lasting partnerships with large, global airlines is the Company's strength. Over the years, Accelya Solutions' airline customers have extended their association with the Company. During the impact of the pandemic in the second half of FY 20, the Company supported the customers with webinars and other content that helped them understand and respond to the crisis. The Company also learned insights from the customers, understanding their problems, adapting and creating value that aligns with their current and future objectives.

## Pay-as-you-use Model

Accelya Solutions offers its solutions on a pay-per-use model. It enables airlines to have a low capex and variable costs. At the same time, this model ensures the Company annuity revenue streams resulting in revenue visibility and foundation for growth. A win-win for customers and the Company.

## Financial Analysis

### Shareholders' funds

Shareholders' funds decreased from ₹ 23,594.27 lakhs to ₹ 22,949.91 lakhs during the year 2020-21.

### Equity

During the year, Share Capital and Securities Premium stand at ₹ 1,492.69 lakhs and ₹ 3,169.84 lakhs respectively.

Presently, Accelya Solutions has 14,926,261 shares (Previous Year 14,926,261) of ₹ 10 each fully paid up.

### Profit and Loss Account

Accelya Solutions retained earnings as at June 30, 2021 amount to ₹ 15,800.48 lakhs.

As at 30<sup>th</sup> June, 2021, Accelya Solutions book value per share decreased to ₹ 153.75 per share as compared to ₹ 158.07 per share as at 30<sup>th</sup> June, 2020.

## General Reserves Account

During the year, General Reserve stands at ₹ 2,391.52 lakhs. There is no change to this balance in the current year.

## Capital Redemption Reserve

During the year, Capital redemption Reserve stands at ₹ 95.38 lakhs. There is no change to this balance in the current year.

## Investment

Accelya Solutions Investments at cost, as at 30<sup>th</sup> June, 2021 stands at ₹ 4,741.05 lakhs decrease from ₹ 4,741.55 lakhs, as at 30<sup>th</sup> June, 2020.

## Fixed Assets

### Product Development

During the year, product development cost amounting to ₹ 980.14 lakhs has been capitalised as intangible assets.

### Other Fixed Assets

Accelya Solutions added ₹ 987.22 lakhs to the gross block comprising of ₹ 380.08 lakhs in Plant and Machinery, ₹ 9.36 lakhs in purchase of Software, ₹ 69.76 lakhs in purchase of Furniture and fixtures and the balance ₹ 528.02 lakhs in Leasehold improvements.

### Sale / Disposal of Assets

During the year, Accelya Solutions sold/ disposed of assets with a Gross Book value of ₹ 356.25 lakhs and a depreciated Net Value of ₹ 345.27 lakhs. The sold assets included old plant & machinery, furniture & fixtures and vehicles.

Accelya Solutions Gross Block as at June 30, 2021 stood at ₹ 22,412.29 lakhs as compared to ₹ 20,801.18 lakhs as at June 30, 2020. The corresponding Net Block as at June 30, 2021 is ₹ 6,369.77 lakhs as compared to ₹ 6,815.41 lakhs as at June 30, 2020.

### Trades Receivables

Accelya Solutions Net Receivables as at June 30, 2021 amounted to ₹ 5,114.47 lakhs as compared to ₹ 6,102.31 lakhs as at June 30, 2020. These debtors are considered good and realisable.

The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates and general economic factors which could affect the customer's ability to settle and finally depending on the management's perception of the risk. The total provision for doubtful debts as at 30<sup>th</sup> June 2021 stands at ₹ 228.34 lakhs compared to ₹ 280.32 lakhs as at 30<sup>th</sup> June, 2020.

Trade receivables as a percentage of total revenue is 18.96% as at 30<sup>th</sup> June 2021 as against 16.50% as at 30<sup>th</sup> June, 2020.

### Non-current Liabilities

As at 30<sup>th</sup> June, 2021 Accelya Solutions non-current liabilities amount to ₹ 3,387.93 lakhs as compared to ₹ 4,437.16 lakhs as at 30<sup>th</sup> June, 2020.

### Current Liabilities

As at 30<sup>th</sup> June, 2021 Accelya Solutions current liabilities amount to ₹ 5,628.41 lakhs as compared to ₹ 6,878.10 lakhs as at 30<sup>th</sup> June, 2020.



## Result of Operations

### Sale of services

For the year ended 30<sup>th</sup> June, 2021, Accelya Solutions recorded operating income of ₹ 25,101.04 lakhs.

### Operating Profit

Accelya Solutions reported profit before exceptional items and tax of ₹ 5,875.22 lakhs for the year ended 30<sup>th</sup> June, 2021.

### Profit after Tax

Accelya Solutions recorded a PAT of ₹ 4,519.34 lakhs for the year ended 30<sup>th</sup> June, 2021.

### Dividend

The Company had declared and paid an interim dividend of ₹ 35 per equity share during the year.

### IPR Assets and Amortisation

As a value innovator, Accelya Solutions has always believed in developing its own Intellectual Property (IP) and over the years has invested significant amount of resources in this development. All these products have been viewed as the best of the breed products by the industry and highly appreciated by the customers.

Details of IPR assets and amortisation are as follows:

Product IPR	₹ Lakhs
Opening Net Block	2,407.14
Additions	980.14
Amortisation	685.02
Closing Net Block	2,702.26

## RISKS, CONCERNS AND RISK MITIGATION:

### Increasing Competition

New providers and existing technology vendors are constantly foraying into the airline IT and finance domain. Accelya Solutions is constantly investing in people, solutions and processes to ensure maximum value to its customers. The company's in-depth knowledge of the industry and its requirements makes it the partner of choice for airlines.

### Impact of the COVID-19 Pandemic on the Business

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

### Uncertain Economic Environment

The airline industry is amongst the first to be impacted by any major economic or political situations. Accelya Solutions is in a good position to mitigate this risk. The Company has a global customer base. The Company has long term contracts with its customers which generates annuity revenues and provides good visibility on business.

## **Regulatory Risk**

Proposed legislation in certain countries in which Accelya Solutions operates, may restrict airlines in those countries from outsourcing work to the Company, or may limit its ability to send employees to certain client sites.

Accelya Solutions has employees of different nationalities which helps in mitigating this risk to a certain extent.

## **Cyber Security and Data Privacy Risk**

Global cyber security and data privacy threats are ever increasing. Accelya Solutions has relevant controls and compliances in place to address these. The Company's Privacy Management Program covers continuous risk analysis and mitigation for all its products, services and processes.

## **Currency Volatility**

Being a global organization dealing with global customers, volatility in currency exchange movements may affect the results of Accelya Solutions' operations.

The Company has currency hedging policies and practices in place which are regularly reviewed to mitigate this risk.

## **Resource Availability**

Accelya Solutions is in an industry driven by domain knowledge and intellectual property and the Company's success depends in large part on its ability to attract and retain talent.

## **Internal Financial Control Systems and their Adequacy**

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

The Company's management assessed the effectiveness of internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015) as of June 30, 2021.

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

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

Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015), the audit committee has concluded that, as of June 30, 2021, the internal financial controls were adequate and operating effectively.

## **Human Capital**

We recognize that people are important assets, keeping this into consideration we recruit the best talent, provide training to enhance capabilities, coach and mentor the right people and reward our employees in meaningful ways. We continuously track human capital metrics to make sure we attract, develop and retain the best talent. It is our endeavor to.....





## Attract qualified talent...

### Educational Qualifications

Post Graduates	Engineering /Other Graduates	IATA Certified / Diploma holders	Undergraduates
19%	66%	12%	3%

*...With deep experience in our domain & technology...*

### Total Experience

Less than 2 years	2-5 years	5-10 years	More than 10 years
8%	11%	23%	58%

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

### Gender Diversity

Men	Women
60%	40%

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

### Attrition

Attrition for FY 20-21: **8.8%**

Voluntary attrition for the last 3 years:

Year	ITS	BPO	Others
2021 (July 2020 to June 2021)	17.6%	4.0%	10.6%
2020 (July 2019 to June 2020)	16.8%	11.2%	20.2%
2019 (July 2018 to June 2019)	20.5%	8.8%	14.9%

It has been a year of change and transformation at Accelya. The multitude of changes externally were further compounded with the transformational changes we are going through internally. With a lot happening this year, our focus has been to provide our employees the information and support so that they can feel empowered and be a part of the journey of change we are on. Here are a few highlights from this past year.

- **Care for our Employees**
  - o Through these tough times, Accelya's prime focus has been on assessing and contributing to the well-being of our employees. We designed strategies for business continuation that also addresses how our employees can stay psychologically resilient. From supporting employees for Remote working, activating Emergency Response Team, Communicating consistently & providing financial assistance to the affected employees. Here are a few highlights from this past year.
- COVID 19 helpline service to provide 24x7 support to address all COVID 19 related queries
- Covid 19 Vaccination Drive for employee and their family members.

- Monthly Live and interactive sessions by specialized doctors from the medical fraternity covering topics like:
  - o Mental Health and Well-being -Mindfulness
  - o Maintaining Healthy Weight
  - o Cancer Myths and Facts
  - o Basics of Skin and Hair Care
  - o Common Kidney Disorder & Prevention
  - o Eye Care
  - o Pulmonary Rehabilitation in COVID 19 - Strengthen your lungs
  - o Impact of COVID 19 during Monsoon

We also assisted our employees during the pandemic with:

- o Additional medical leave
  - o Additional Financial assistance to the family of the deceased employee
  - o Assistance for Insurance cases wherein hospitalization cost was more than the insured amount
  - o One-time fixed amount assistance for staff and professional level
- **LearnX for Remote Collaboration Tools:**

With a large majority of our employees working remotely and collaborating through virtual tools, we took the opportunity this year to upskill employees on remote collaboration & communication tools available to them. We partnered with our Microsoft implementation partner to deliver a series of LearnX sessions with experts focused on helping employees fully leverage the office 365 virtual communication and collaboration suite. These sessions were very well received and 1000+ employees attended the sessions and rated the workshops 4.5/ 5. We supported this initiative by creating and offering bite sized learning courses on our LMS on a variety of topics related to effective remote working.

- **Transforming into 'New Accelya'**

To ensure that the company is structured in a way that allows us to accelerate our growth and innovation, expand into new areas of our industry and scale effectively; Accelya has reorganised into a new functional structure designed to make our organization more agile, decisive, efficient, adaptable and flexible. In our earlier structure the Line of Business (LoB) held all the functional capabilities within their own structure – a decentralised model. However, in the new structure each Division holds a specific set of functional capabilities within it, and supports the rest of the organization – a functional model. The functional structure is designed to be more efficient, whilst at the same allowing the different functions to focus and deliver much more effectively, as each division will be focused specifically on their area of expertise with a much more robust support structure across the entire organization. Through last year, we supported this transformation of Accelya through regular communication and support activities. Besides All employee townhalls, we also designed a special series of Learn X sessions with ExCom’s and Leaders where through informal conversations, ExCom Members and other leaders shared their perspectives and helped employees understand and participate in new Accelya’s transformation journey.

- **Pulse – Integrated Global HRMS for Employees**

In our endeavor to have the most simple and efficient tool for employees, we have tried to incorporate new responsive and mobile enabled layouts for the different modules that encompass the HR Lifecycle. We incorporated new Organizational structure i.e. Accelya 2.0.



- **Leveraging new age technologies to provide the best employee experience**

With our engagement with Oracle we have tried to utilize the full portfolio on offer. One of the latest additions to our Pulse has been the Recruiting platform. The new age platform has led to simplified hiring and at the same time an increased engagement with candidates. Thus, leading to a successful exhibition of the Accelya brand to the candidates. We have improvised our Onboarding and Offboarding handling of activities on the system using the new tools available. Thereby completing the restructuring of the entire employee lifecycle while being able to maintain the Accelya brand and image proposition.

- **Employer Brand**

We are building an employer brand in the market that demonstrates our capability as a Solution company in aviation industry. We use best in class assessment tools and techniques to evaluate candidates whilst providing a great candidate experience. We are increasing our talent pipeline through technology and building programs to ensure we can keep the talent pools engaged.

**INDEPENDENT AUDITOR'S REPORT****To the Members of Accelya Solutions India Limited  
Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of Accelya Solutions India Limited ("the Company"), which comprise the Balance Sheet as at 30 June 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows 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 30 June 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.

Sr. No.	Key Audit Matters	Auditor's Response
1	<p><b>Product Development Cost - capitalised as internally generated Software</b></p> <p>Product development costs are recognised as internally generated intangible assets when technical feasibility is established, the Company has committed technical and commercial resources and future economic benefits are assessed as 'probable'.</p>	<p><b>Principal Audit Procedures performed:</b></p> <ul style="list-style-type: none"> <li>Evaluated the design, implementation and operating effectiveness of internal controls around the Company's assessment that the recorded costs meet the capitalisation criteria;</li> </ul>



Sr. No.	Key Audit Matters	Auditor's Response
	<p>Costs capitalised during the year represents the personnel expenses viz. salaries, wages and other employment related costs of personnel directly engaged in the projects during the development phase and expenditure on services that is directly attributable to the project such as professional fees engaged in the development phase.</p> <p>The assessment of the capitalisation criteria as set out in Ind AS 38 'Intangible Assets' is made at an early stage of product development. It involves:</p> <ul style="list-style-type: none"> <li>• Company's judgement to establish technical feasibility of the product;</li> <li>• Company's estimation of availability of committed technical and commercial resources; and</li> <li>• Inherent challenges in predicting future economic benefits which must be assessed as 'probable' for capitalisation to commence.</li> </ul> <p>There is a risk of development cost getting capitalised where the relevant criteria have not been met. Accordingly, we identified capitalisation of product development cost as a key audit matter.</p> <p>Refer note 2(e) to the standalone financial statement.</p>	<ul style="list-style-type: none"> <li>• Evaluated initiation of capitalisation of the product development costs including Company's controls over estimation of the future economic benefit of the projects;</li> <li>• One of the criteria relating to future economic benefits being assessed as 'probable' was evaluated by analyzing its estimated profitability.</li> <li>• substantive procedures performed for costs incurred towards projects by using statistical sampling;</li> <li>• Analysed and determined the costs which are capitalized are 'directly attributable' towards product development activities; and</li> <li>• Assessed Company's estimate of any possible effect from COVID-19 pandemic such as discontinuance or suspension.</li> </ul> <p>We have evaluated the adequacy of disclosures in the financial statements in view of the requirements as specified in the standard</p>
2	<p><b>Expected Credit Losses on trade receivables:</b></p> <p>The Company has trade receivables due from customers as stated in Note 2(c)(iii) and 12 to the standalone financial statements.</p> <p>The management determined the allowance for credit losses based on current conditions and forecast of future conditions taking into consideration historical loss experience. During the year, management has considered additional provisions based on the current and anticipated future economic conditions arising from the COVID -19 pandemic event on the customers' business operations and the consequent ability to pay.</p> <p>In computing the expected credit losses, the Company has also considered external sources of information relating to its customers' credit risk that were available in public domain to estimate the probable loss in future and has taken into account possible effects from the pandemic relating to COVID -19.</p> <p>We identified the valuation assertion relating to the allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p>	<p><b>Principal Audit Procedures performed:</b></p> <p>We evaluated the design and tested the effectiveness of controls over the (1) input data used by the management such as the customers' credit risk and related information (2) completeness and accuracy of information used in the estimation of probable loss and (3) computation of the allowance for credit losses.</p> <p>For a sample customers on the of basis statistical sampling we have tested:</p> <ul style="list-style-type: none"> <li>- sample of invoices to verify the accuracy of the aging data considered.</li> <li>- realization of receivables subsequent to the balance sheet date.</li> <li>- other input data used by the management such as the customers' credit risk and related information by corroborating the same with internal source of information and to the extent publicly available, the external sources of information.</li> <li>- mathematical accuracy and computation of the allowances by using the above input data to determine if there were any material differences in the aggregate.</li> </ul>

### 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 information included in the Directors' Report, Annexures to it and Management Discussion & Analysis etc., but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's 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 that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on 30 June 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 30 June 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, 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 LLP**

*Chartered Accountants*

(Firm's Registration No. 117366W/W-100018)

**Joe Pretto**

(Partner)

(Membership No. 77491)

(UDIN: 21077491AAAABK3457)

Place : Mumbai

Date : 05th August, 2021





## **ANNEXURE "A" TO THE 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 Act**

We have audited the internal financial controls over financial reporting of Accelya Solutions India Limited ("the Company") as of 30 June 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 30 June 2021, based on the criteria for internal financial control over financial reporting established by the respective 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 ICAI.

**For DELOITTE HASKINS & SELLS LLP**

*Chartered Accountants*

(Firm's Registration No. 117366W/W-100018)

**Joe Pretto**

(Partner)

(Membership No. 77491)

(UDIN: 21077491AAAABK3457)

Place : Mumbai

Date : 05 August, 2021



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered Deed of Apartment provided to us, we report that, the title deeds, comprising all the immovable property of building which are freehold, and held in the earlier name of the company as mentioned below:

(₹ in Lakhs)

Particulars of the building	Gross Block (as at the balance sheet date)	Net Block (as at the balance sheet date)	Remarks
Buildings located at Pune admeasuring to 1,022.86 sq. mtrs. and 1,022.91 sq. mtrs. respectively	609.80	159.93	The title deeds are in the name of Kale Consultants Limited, erstwhile name of Company. The copies of the said agreements are mortgaged in favour of State Bank of India for working capital facilities.

- (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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of investments made. According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at 30 June 2021 and therefore, the provision of clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities. Excise Duty, Sales Tax, Service Tax, Value added Tax are no more applicable.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at 30 June 2021 for a period of more than six months from the date they became payable. Excise Duty, Sales Tax, Service Tax, Value added Tax are no more applicable.

- (c) There are no dues of Customs Duty and Goods and Services Tax as on 30 June 2021 on account of disputes. Details of dues of Service Tax and Income Tax which have not been deposited as on 30 June 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ in Lakhs)
The Finance Act, 1994	Service tax under Reverse Charge Mechanism	Customs Excise and Service Tax Appellate Tribunal (CESTAT), Maharashtra	April 2011 to March 2015	569.05 <sup>^</sup>
Income Tax Act, 1961	Income Tax	The Deputy Commissioner of Income Tax	Financial year 2016-17	2.66
		The Assistant Commissioner of Income Tax	Financial year 2017-18	1.70

<sup>^</sup> Net of ₹ 22.17 Lakhs amount deposited with the authority  
Excise Duty, Sales Tax and Value added Tax are no more applicable.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of Order is not applicable to the Company.
- (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 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 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 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 LLP**

*Chartered Accountants*

(Firm's Registration No. 117366W/W-100018)

**Joe Preto**

(Partner)

(Membership No. 77491)

(UDIN: 21077491AAAABK3457)

Place : Mumbai

Date : 05 August, 2021



<b>Balance sheet</b> <b>as at 30 June 2021</b>	Note	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,468.72	4,045.74
Right-of-use assets	35	2,819.45	3,859.91
Capital work-in-progress	3.1	853.37	466.07
Other intangible assets	4	2,901.05	2,769.67
Intangible assets under development	4.1	16.41	102.64
<b>Financial assets</b>			
Investments	5	4,741.05	4,741.55
Loans	6	295.74	450.28
Other financial assets	7	96.94	118.72
Income tax assets (net)	8	102.85	265.82
Deferred tax assets (net)	9	784.09	792.63
Other non-current assets	10	329.53	490.80
<b>Total non-current assets</b>		<b>16,409.20</b>	<b>18,103.83</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	11	2,282.81	1,017.65
Trade receivables	12	5,114.47	6,102.31
Unbilled receivables		2,033.65	1,449.89
Cash and cash equivalents	13	2,622.61	2,654.36
Other balances with banks	14	274.10	2,170.88
Loans	15	8.43	19.36
Other financial assets	16	655.56	687.39
Other current assets	17	2,565.42	2,703.86
<b>Total current assets</b>		<b>15,557.05</b>	<b>16,805.70</b>
<b>TOTAL ASSETS</b>		<b>31,966.25</b>	<b>34,909.53</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	1,492.69	1,492.69
Other equity	19	21,457.22	22,101.58
<b>Total equity</b>		<b>22,949.91</b>	<b>23,594.27</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	35	2,903.84	3,956.24
Other financial liabilities	20	1.65	91.45
Provisions	21	482.44	389.47
<b>Total non-current liabilities</b>		<b>3,387.93</b>	<b>4,437.16</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	35	981.29	946.52
Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	22	17.13	12.35
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	22	936.66	2,167.57
Other financial liabilities	23	2,132.37	1,913.18
Provisions	24	375.34	506.35
Contract liabilities		518.95	1,092.29
Income tax liabilities (net)	25	295.87	55.49
Other current liabilities	26	370.80	184.35
<b>Total current liabilities</b>		<b>5,628.41</b>	<b>6,878.10</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>31,966.25</b>	<b>34,909.53</b>

The accompanying notes form an integral part of the standalone financial statements  
As per our report of even date attached

2 - 49

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No: 117366W/W-100018

**Joe Pretto**

Partner

Membership No: 77491

**John Johnston**

Chairman

DIN: 07258586

London

**Uttamkumar Bhati**

Chief Financial Officer

Indore

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

Accelya Solutions India Limited

CIN: L74140PN1986PLC041033

**Shrimanikandan Ananthavaidhyanathan**

Managing Director

DIN: 09192936

Chennai

**Ninad Umranikar**

Company Secretary

Membership No: ACS14201

Pune

Date : 5 August 2021

Place : Mumbai

Date : 5 August 2021

<b>Statement of Profit and Loss for the year ended 30 June 2021</b>	<b>Note</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Revenue</b>			
Revenue from operations	27	<b>25,101.04</b>	35,497.77
Other income	28	<b>1,876.26</b>	1,486.64
<b>Total income</b>		<b>26,977.30</b>	36,984.41
<b>Expenses</b>			
Employee benefits expense	29	<b>11,464.72</b>	12,653.05
Finance costs		<b>446.99</b>	548.63
Depreciation and amortisation expense	30	<b>3,384.53</b>	3,211.15
Other expenses	31	<b>5,805.84</b>	8,681.09
<b>Total expenses</b>		<b>21,102.08</b>	25,093.92
<b>Profit before tax</b>		<b>5,875.22</b>	11,890.49
<b>Tax expense:</b>			
Current tax	33	<b>1,367.69</b>	3,284.82
Deferred tax	33	<b>(11.81)</b>	(258.17)
<b>Total tax expense</b>		<b>1,355.88</b>	3,026.65
<b>Profit for the year</b>		<b>4,519.34</b>	8,863.84
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit obligation		<b>80.84</b>	(73.87)
Income tax relating to above item		<b>(20.35)</b>	18.59
<b>Total Other comprehensive income/ (loss)</b>		<b>60.49</b>	(55.28)
<b>Total comprehensive income for the year (net of tax)</b>		<b>4,579.83</b>	8,808.56
<b>Earnings per equity share (face value of ₹ 10 each)</b>			
Basic and diluted	32	30.28	59.38

The accompanying notes form an integral part of the standalone financial statements 2 - 49

As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
Firm's Registration No: 117366W/W-100018

**Joe Pretto**  
Partner  
Membership No: 77491

**John Johnston**  
Chairman  
DIN: 07258586  
London

**Uttamkumar Bhati**  
Chief Financial Officer  
Indore

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

**Shrimanikandan Ananthavaidhyanathan**  
Managing Director  
DIN: 09192936  
Chennai

**Ninad Umranikar**  
Company Secretary  
Membership No: ACS14201

Place : Mumbai  
Date : 5 August 2021

Pune  
Date : 5 August 2021



**Statement of Changes in Equity  
for the year ended 30 June 2021**

**A Equity share capital**

	Note	Number of shares	(₹ Lakhs)
Balance as at 1 July 2019		14,926,866	1,492.69
Changes in equity share capital during 2019-20		-	-
<b>Balance as at 30 June 2020</b>	<b>18</b>	<b>14,926,866</b>	<b>1,492.69</b>
Changes in equity share capital during 2020-21		-	-
<b>Balance as at 30 June 2021</b>	<b>18</b>	<b>14,926,866</b>	<b>1,492.69</b>

**B Other equity**

(₹ Lakhs)

Particulars	Attributable to the owners of the Company					Total
	Reserves & Surplus					
	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
<b>Balance at 1 July, 2019</b>	95.38	3,169.84	2,391.52	11,895.88		17,552.62
Profit for the year	-	-	-	8,863.84		8,863.84
Remeasurement of defined benefit plan (net of tax)	-	-	-	(55.28)		(55.28)
<b>Total comprehensive income for the year</b>	-	-	-	<b>8,808.56</b>		<b>8,808.56</b>
<b>Other changes</b>						
Interim dividend	-	-	-	(1,492.63)		(1,492.63)
Dividend distribution tax on interim dividend	-	-	-	(276.92)		(276.92)
Dividend distribution tax credit	-	-	-	209.11		209.11
Final equity dividend	-	-	-	(2,238.94)		(2,238.94)
Dividend distribution tax on final dividend	-	-	-	(460.22)		(460.22)
<b>Balance at 30 June, 2020</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,391.52</b>	<b>16,444.84</b>		<b>22,101.58</b>
<b>Balance at 1 July, 2020</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,391.52</b>	<b>16,444.84</b>		<b>22,101.58</b>
Profit for the year	-	-	-	4,519.34		4,519.34
Remeasurement of defined benefit plan (net of tax)	-	-	-	60.49		60.49
<b>Total comprehensive income for the year</b>	-	-	-	<b>4,579.83</b>		<b>4,579.83</b>

Particulars	Attributable to the owners of the Company					Total
	Reserves & Surplus					
	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
<b>Other changes</b>						
Interim dividend	-	-	-	(5,224.19)		(5,224.19)
<b>Balance at 30 June, 2021</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,391.52</b>	<b>15,800.48</b>		<b>21,457.22</b>

Pursuant to the requirements of Division II to Schedule III of Companies Act, 2013, below is the nature and purpose of the above:

- (i) **Capital redemption reserve**  
Capital redemption reserve was created on account of buy-back of equity share capital.
- (ii) **Securities premium**  
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
- (iii) **General reserve**  
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (iv) **Retained earnings**  
Retained earnings comprises of prior & current year undistributed earnings after tax.

The accompanying notes form an integral part of the standalone financial statements (refer note 2 to 49)  
As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
Firm's Registration No: 117366W/W-100018

**Joe Pretto**

Partner  
Membership No: 77491

**John Johnston**

Chairman  
DIN: 07258586  
London

**Uttamkumar Bhati**

Chief Financial Officer  
Indore

**Shrimanikandan Ananthavaidhyanathan**

Managing Director  
DIN: 09192936  
Chennai

**Ninad Umranikar**

Company Secretary  
Membership No: ACS14201

Place : Mumbai

Date : 5 August 2021

Pune

Date : 5 August 2021





<b>Statement of cash flows for the year ended 30 June 2021</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Cash flows from operating activities</b>		
<b>Profit for the year</b>	<b>4,519.34</b>	8,863.84
<b>Adjustments for:</b>		
Depreciation and amortization expenses	3,384.53	3,211.15
Income tax expense	1,355.88	3,026.65
Net (Gain) on sale of property, plant and equipment	(7.19)	(29.07)
(Reversal)/ Provision for doubtful debts	(51.98)	130.42
Bad debts written off	64.76	-
Write off of unbilled receivables	9.34	459.83
Withholding taxes written off	458.31	-
Write off of investment	0.50	-
Earnest money deposit written off	7.31	-
Credit balances written back	(79.16)	(95.54)
Unrealised exchange (gain)/ loss	(400.23)	423.16
Finance costs	446.99	548.63
COVID 19 related rent concessions	(10.94)	(96.18)
Interest income	(127.61)	(79.02)
Gain on fair valuation of investments	(4.00)	-
Dividend income	(878.52)	(1,088.50)
Operating cash flows before movements in working capital	<b>8,687.33</b>	15,275.37
<b>Working capital changes:</b>		
Decrease in trade receivables	988.14	1,243.42
Decrease/ (Increase) in financial assets	258.04	(386.72)
Decrease in other assets	337.23	1,023.77
(Increase) in unbilled receivables	(593.10)	(1,075.76)
(Decrease)/ Increase in trade payables	(1,145.27)	540.69
Increase/ (Decrease) in financial liabilities	178.66	(692.17)
(Decrease)/ Increase in other liabilities	(331.26)	735.84
<b>Cash generated from operations</b>	<b>8,379.77</b>	16,664.44
Taxes paid (net of refunds)	(1,422.65)	(3,881.60)
<b>Net cash from operating activities (A)</b>	<b>6,957.12</b>	12,782.84
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1,869.11)	(4,717.38)
Proceeds from sale of property, plant and equipment	18.20	36.81
Interest received on bank deposits	68.46	23.66
Dividend received	878.52	1,088.50
Purchase of mutual fund	(11,490.80)	(22,281.22)
Proceeds from sale of mutual fund	10,229.64	22,499.92
Bank deposits having maturity more than 3 months - placed	(0.12)	(1,798.38)
Bank deposits having maturity more than 3 months - matured	1,798.68	44.54
<b>Net cash (used in) investing activities (B)</b>	<b>(366.53)</b>	(5,103.55)

<b>Statement of cash flows (Continued) for the year ended 30 June 2021</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Cash flow from financing activities</b>		
Dividend paid (including dividend distribution tax thereon)	(5,224.19)	(4,259.59)
Repayment of lease liabilities	(945.01)	(461.28)
Interest paid	(446.99)	(548.63)
<b>Net cash (used in) financing activities (C)</b>	<b>(6,616.19)</b>	<b>(5,269.50)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(25.60)</b>	<b>2,409.79</b>
Cash and cash equivalents at the beginning of the year	2,654.36	256.97
Effect of exchange differences on cash and cash equivalents held in foreign currency	(6.15)	(12.40)
Cash and cash equivalents at the end of the year (refer note 13)	<b>2,622.61</b>	<b>2,654.36</b>
<b>Note to Cash flow statement:</b>		
<b>(a) Components of cash and cash equivalents</b>		
Balance with banks		
in current accounts	151.20	589.42
in EEFC accounts	641.41	839.94
Bank deposit with maturity less than 3 months	1,830.00	1,225.00
<b>Total cash and cash equivalents</b>	<b>2,622.61</b>	<b>2,654.36</b>

## Reconciliation of liabilities from financing activities for the year ended 30 June 2021

₹ lakhs

Particulars	As at 30 June, 2020	Proceeds/ impact of Ind AS 116	Repayment	Fair value changes	As at 30 June 2021
Lease liabilities	4,902.76	374.37	(1,392.00)	-	3,885.13
<b>Total liabilities from financing activities</b>	<b>4,902.76</b>	<b>374.37</b>	<b>(1,392.00)</b>	<b>-</b>	<b>3,885.13</b>

## Reconciliation of liabilities from financing activities for the year ended 30 June 2020

₹ lakhs

Particulars	As at 30 June, 2019	Proceeds/ impact of Ind AS 116	Repayment	Fair value changes	As at 30 June 2020
Lease liabilities	-	5,912.67	(1,009.91)	-	4,902.76
<b>Total liabilities from financing activities</b>	<b>-</b>	<b>5,912.67</b>	<b>(1,009.91)</b>	<b>-</b>	<b>4,902.76</b>

The accompanying notes form an integral part of the standalone financial statements (refer note 2 to 49)

As per our report of even date attached

## For DELOITTE HASKINS &amp; SELLS LLP

Chartered Accountants

Firm's Registration No: 117366W/W-100018

## Joe Pretto

Partner

Membership No: 77491

## John Johnston

Chairman

DIN: 07258586

London

**Uttamkumar Bhati**  
Chief Financial Officer

Indore

## For and on behalf of Board of Directors

Accelya Solutions India Limited

CIN: L74140PN1986PLC041033

## Shrimanikandan Ananthavaidhyanathan

Managing Director

DIN: 09192936

Chennai

**Ninad Umranikar**  
Company Secretary

Membership No: ACS14201

Place : Mumbai

Date : 5 August 2021

Pune

Date : 5 August 2021



## Notes to the financial statements

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### 1. Corporate information

Accelya Solutions India Limited (“Accelya” or “the Company”) is a software solutions provider to the global Airline and Travel industry.

Accelya delivers world class software products, managed processes, technology and hosting services. Accelya’s industry solutions are driven by active partnerships with industry bodies and customers, and significant domain knowledge. Its customised approach in deploying these solutions supports clients with best fit solutions to match their requirements. The Company is a public limited company and domiciled in India. The address of the registered office is Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune, Maharashtra, India, 411037. The board of directors approved the standalone financial statements for the year ended 30 June 2021 and authorized for issue on 05 August 2021.

### 2. Significant accounting policies

#### a) *Statement of compliance with Ind AS*

These standalone financial statements (‘the financial statements’) have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

#### b) *Basis of preparation*

The financial statements are presented in Indian Rupees (₹) which is also the functional currency of the Company. All amounts are rounded off to the nearest lakhs, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities including defined benefit plans - plan assets measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities are classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. Fair value is the price that would be received to sell an asset or paid to transfer/ settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value and value in use in Ind AS 36.

#### c) *Use of estimates and judgements*

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

**Notes to the financial statements (Continued)**

- (i) Estimation of useful life and residual values of property, plant and equipment (refer note 2(d))

The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence.

- (ii) Estimation of defined benefit obligation (refer note 2(l)(b))

Cost of defined benefit plan and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its nature, a defined benefit is highly sensitive to change in these assumptions. All assumptions are reviewed at each Balance Sheet date.

- (iii) Impairment of trade receivables (refer note 2(j)(l))

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

- (iv) Provisions and contingent liabilities (refer note 2(o))

A provision is recognized when the Company has a present value obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

- (v) Revenue Recognition

Revenue for fixed-price contract is recognised using percentage-of completion method. The Company uses judgement to estimate the future efforts-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

- (vi) Leases

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

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

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

**d) Property, plant and equipment (PPE)**

Property, plant and equipment are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/ amortisation and impairment loss.



## Notes to the financial statements (Continued)

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

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

An asset's carrying amount is written down immediately to its recoverable amount of the assets or CGU, as applicable, if the carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the straight-line method over the estimated useful life of the respective asset. These lives are in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Furniture and Fixtures, Computer Equipment and Vehicles in which case the life of the assets has been assessed and is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Depreciation/amortization for the year is recognised in the Statement of Profit and Loss. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The useful life of the assets considered for depreciation is summarized below:

Building	30 years
Plant and machinery and computer equipment	3 to 6 years
Furniture and fixtures, Equipment and other assets	4 to 6 years
Vehicles	5 years
Leasehold improvements	To be amortized over the lesser of the period of lease and the useful life of the asset

The useful lives and residual values are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

### Subsequent expenditure

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

### e) Other Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and accumulated impairment loss, if any. Amortization is recognised on a straight-line basis over their estimated useful lives.

Estimated useful life of software acquired and internally developed has been taken at 3 and 5 years, respectively.

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

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

**Notes to the financial statements (Continued)**

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

**Product Development cost**

Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit i.e., the estimated useful life. Amortization is recognized in the Statement of Profit and Loss.

**f) Impairment of non-financial asset**

Property, plant and equipment and definite life intangible assets are reviewed at each reporting date to determine if there is any indication of impairment. Infinite life intangible assets are mandatorily tested annually or at interim period end for impairment, for which the asset's recoverable amount is estimated. For assets in respect of which any such indication exists, an impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or "CGU") that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised. Impairment loss recognised for goodwill is not subsequently reversed.

**g) Revenue recognition**

Revenue is derived primarily from transaction processing, managed processes, technology and hosting services, licensing of software products, related implementation and maintenance services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, and the parties to contract are committed to perform their respective



## Notes to the financial statements (Continued)

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obligations. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

- Revenues from transaction processing service i.e. airline ticket and coupon processing charges is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue.
- Revenue from sale of user licenses where the customer obtains a 'right to use' the licenses is recognized at the time when license is made available to the customer, except in case of multiple element contracts which require significant implementation services and customization, the entire arrangement is considered to be a significant performance obligation and revenue is recognised using the percentage of completion method as the implementation and customization is performed.

In the case of significant implementation and customisation services provided to clients, those are analysed on a case by case basis to determine if a separate performance obligation exists.

- Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised based on percentage of completion method considering the actual time spent on the contract to the total estimated time to complete the contract.
- Revenue related to fixed price maintenance and support services contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue related to client training and other services are recognized as the related services are performed.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts where the rights are conditional on something other than passage of time. Contract are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

## Notes to the financial statements (Continued)

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers primary by geographical market and service lines.

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

Dividend is recognised in profit or loss only when the right to receive payment is established.

### **h) Leases**

#### **Policy applicable with effect from 1 July 2019**

##### **The Company as a lessee**

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

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

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right -of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

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



**Notes to the financial statements (Continued)**

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

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

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

**Transition to Ind AS 116**

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

The Company has adopted Ind AS 116, effective annual reporting period beginning July 1, 2019 and applied the standard to its leases, modified retrospective method with the cumulative effect of initially applying the Standard, recognised on the date of initial application (July 1, 2019). Accordingly, the Company has not restated comparative information. The Company has recorded the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate as at July 1, 2019 and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized. For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

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

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

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

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

**i) Foreign currency transactions and balances**

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

## Notes to the financial statements (Continued)

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

### j) **Financial Instruments:**

#### i. **Financial Assets:**

##### **Classification**

On initial recognition the Company classifies financial assets as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### **Initial recognition and measurement**

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

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

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

##### **Equity investments**

All equity investments other than investments in subsidiaries are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

The Company has elected to continue with the carrying value of all its equity investments as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

##### **Investment in subsidiaries**

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



## Notes to the financial statements (Continued)

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### Derecognition

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

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

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

## II. Financial Liabilities

### Classification

The Company classifies all financial liabilities as measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, and payables).

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Notes to the financial statements *(Continued)***Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments**

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**k) Cash and cash equivalent**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**l) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

**m) Employee benefits****a. Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee service is

**Notes to the financial statements (Continued)**

recognised as an expense at an undiscounted amount in the Statement of Profit and Loss as the related service is rendered by employees.

**b. Post-employment benefits****Defined Contribution Plan**

Contributions to defined contribution schemes such as employee provident fund, employees' state insurance, labour welfare fund, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**Defined Benefit Plan**

The Company's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognized in other comprehensive income.

Defined benefit costs are categorised as follows:

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

**c. Compensated absences**

Provision for compensated absences cost has been made based on actuarial valuation by an independent actuary at balance sheet date.

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

**n) Income taxes**

Income-tax expense comprises current tax and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

**Current taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

**Notes to the financial statements (Continued)**

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

**Deferred taxes**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to deferred tax assets when they are realised or deferred tax liabilities when they are settled, using tax rates enacted or substantively enacted at the reporting date.

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

**o) Earnings per share ('EPS')**

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises of weighted average number of shares considered for deriving basic earning per share, and also the weighted average number of equity shares which may be issued on conversion of all dilutive potential shares, unless the results would be anti-dilutive.

**p) Provisions and contingent liabilities**

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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).

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

**Notes to the financial statements (Continued)**

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**q) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company and makes strategic decisions. The company operates in one reportable business segment i.e. travel and transportation vertical.

**r) Investments**

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

**s) Government grants**

Government grants are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant will be received.

**t) Going concern**

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

**u) Recent pronouncements**

On 24 March 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 III of Schedule III and are applicable from 1 April 2021 (1 July 2021 for the Company). The Company is evaluating the effect of the amendments on its financial statements.

On 18 June 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Companies (Indian Accounting Standards) Rules, 2015. The Company is evaluating the effect of the amendments on its financial statements.

## Notes to the financial statements (Continued)

## 3 Property, plant and equipment

(₹ lakhs)

	Building (refer footnote below)	Plant and machinery and computer equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
<b>At cost</b>						
<b>Gross carrying amount</b>						
As at 1 July 2019	632.59	5,532.99	670.49	58.66	245.31	7,140.04
Additions during the year	-	1,101.59	517.00	-	1,806.34	3,424.93
Deletions/ disposals	-	341.39	146.00	13.81	96.67	597.87
<b>As at 30 June 2020</b>	<b>632.59</b>	<b>6,293.19</b>	<b>1,041.49</b>	<b>44.85</b>	<b>1,954.98</b>	<b>9,967.10</b>
Additions during the year	-	380.08	69.76	-	528.02	977.86
Deletions/ disposals	-	146.08	183.71	26.46	-	356.25
<b>As at 30 June 2021</b>	<b>632.59</b>	<b>6,527.19</b>	<b>927.54</b>	<b>18.39</b>	<b>2,483.00</b>	<b>10,588.71</b>
<b>Accumulated depreciation</b>						
As at 1 July 2019	430.48	3,882.01	595.51	51.12	230.91	5,190.03
Charge for the year	21.09	958.09	103.90	5.29	233.08	1,321.45
Deletions/ disposals	-	339.73	139.91	13.81	96.67	590.12
<b>As at 30 June 2020</b>	<b>451.57</b>	<b>4,500.37</b>	<b>559.50</b>	<b>42.60</b>	<b>367.32</b>	<b>5,921.36</b>
Charge for the year	21.09	912.50	125.90	2.25	482.16	1,543.90
Deletions/ disposals	-	141.25	177.56	26.46	-	345.27
<b>As at 30 June 2021</b>	<b>472.66</b>	<b>5,271.62</b>	<b>507.84</b>	<b>18.39</b>	<b>849.48</b>	<b>7,119.99</b>
<b>Net carrying amount</b>						
<b>As at 30 June 2020</b>	<b>181.02</b>	<b>1,792.82</b>	<b>481.99</b>	<b>2.25</b>	<b>1,587.66</b>	<b>4,045.74</b>
<b>As at 30 June 2021</b>	<b>159.93</b>	<b>1,255.57</b>	<b>419.70</b>	<b>-</b>	<b>1,633.52</b>	<b>3,468.72</b>

Footnote : Mortgaged in favour of State Bank of India for working capital facilities.

## 3.1 Capital work in progress

	₹ lakhs
<b>As at 1 July 2019</b>	79.94
Additions	466.07
Assets capitalisation during the year	(79.94)
<b>As at 30 June 2020</b>	<b>466.07</b>
Additions	961.36
Assets capitalisation during the year	(574.06)
<b>As at 30 June 2021</b>	<b>853.37</b>





## Notes to the financial statements (Continued)

## 4 Other intangible assets

(₹ lakhs)

	Internally developed software	Acquired software	Total
<b>At cost</b>			
<b>Gross carrying amount</b>			
As at 1 July 2019	5,991.35	3,690.90	9,682.25
Purchase/Additions from internal development	837.68	314.15	1,151.83
Deletions/ disposals	-	-	-
<b>As at 30 June 2020</b>	<b>6,829.03</b>	<b>4,005.05</b>	<b>10,834.08</b>
Purchase/ Additions from internal development	980.14	9.36	989.50
Deletions/ disposals	-	-	-
<b>As at 30 June 2021</b>	<b>7,809.17</b>	<b>4,014.41</b>	<b>11,823.58</b>
<b>Accumulated amortisation</b>			
As at 1 July 2019	3,881.88	3,477.05	7,358.93
Charge for the year	540.01	165.47	705.48
Deletions/ disposals	-	-	-
<b>As at 30 June 2020</b>	<b>4,421.89</b>	<b>3,642.52</b>	<b>8,064.41</b>
Charge for the year	685.02	173.10	858.12
Deletions/ disposals	-	-	-
<b>As at 30 June 2021</b>	<b>5,106.91</b>	<b>3,815.62</b>	<b>8,922.53</b>
<b>Net carrying amount</b>			
<b>As at 30 June 2020</b>	<b>2,407.14</b>	<b>362.53</b>	<b>2,769.67</b>
<b>As at 30 June 2021</b>	<b>2,702.26</b>	<b>198.79</b>	<b>2,901.05</b>

## 4.1 Intangible assets under development

	(₹ lakhs)
<b>As at 1 July 2019</b>	17.60
Additions	922.72
Capitalisation during the year	(837.68)
<b>As at 30 June 2020</b>	<b>102.64</b>
Additions	893.91
Capitalisation during the year	(980.14)
<b>As at 30 June 2021</b>	<b>16.41</b>

Notes to the financial statements *(Continued)*

The estimated amortisation for the year subsequent to 30 June 2021 is as follows:

	Amortisation expenses ₹ lakhs
Year ending 30 <sup>th</sup> June	
2022	941.53
2023	870.34
2024	575.65
2025	351.92
2026	161.61
<b>Total</b>	<b>2,901.05</b>

## 5 Non-current investments

## Unquoted investments

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Investment in equity instruments of subsidiaries</b>		
1,300,000 (30 June 2020: 1,300,000) Class A voting common stock of Accelya Solutions Americas Inc. of USD 0.01 each fully paid up	579.80	579.80
111,000 (30 June 2020: 111,000) ordinary shares of Accelya Solutions UK Limited of GBP 0.01 each fully paid up	4,161.15	4,161.15
<b>Investments in Shares of Co-operative Banks carried at fair value through profit or loss</b>		
<b>Rupee Co-operative Bank Limited (unquoted)</b>		
Nil (30 June 2020: 5,000 equity shares of ₹ 10 each fully paid up)	-	0.50
<b>Saraswat Co-operative Bank Limited (unquoted)</b>		
1,000 (30 June 2020: 1,000) equity shares of ₹ 10 each fully paid up	0.10	0.10
	<b>4,741.05</b>	<b>4,741.55</b>
All units are in absolute numbers		
Aggregate carrying amount of unquoted investments	<b>4,741.05</b>	<b>4,741.55</b>

## 6 Loans - non current

*(Unsecured, considered good)*

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Lease deposits - Measured at amortised cost	295.74	450.28
	<b>295.74</b>	<b>450.28</b>



## Notes to the financial statements (Continued)

## 7 Other non-current financial assets

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Margin money deposits	3.74	8.69
Interest accrued on bank deposits	0.69	0.56
Derivative asset - forward contracts	-	13.50
Other deposits	92.51	95.97
	<b>96.94</b>	<b>118.72</b>

**Margin money deposits**

Margin money deposits represents deposits with banks for issue of bank guarantees to various authorities amounting to ₹ 3.74 lakhs (30 June 2020: ₹ 8.69 lakhs) which are due to mature after twelve months of the reporting date.

## 8 Income tax assets (net)

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Advance income-tax (net of provision for tax of ₹ 688.24 lakhs, 30 June 2020: ₹ 5,350.10 lakhs)	102.85	265.82
	<b>102.85</b>	<b>265.82</b>

## 9 Deferred tax assets

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
<b>Deferred tax assets</b>		
Provision for compensated absences	177.57	145.66
Provision for doubtful debts	57.47	70.55
Difference between tax and book value of Property, plant and equipment	191.57	95.09
Mark to market loss on derivative instruments	13.05	99.99
Lease liability (net of right-of-use assets)	268.21	262.47
Others	88.85	137.70
	<b>796.72</b>	<b>811.46</b>
<b>Deferred tax liabilities</b>		
Mark to market gain on derivative instruments	(7.16)	(8.21)
Others	(5.47)	(10.62)
	<b>(12.63)</b>	<b>(18.83)</b>
<b>Total</b>	<b>784.09</b>	<b>792.63</b>

**Note:** For movement of deferred tax assets/ (liabilities), please refer note 33

## Notes to the financial statements (Continued)

## 10 Other non-current assets

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<i>Considered good</i>		
Service tax refund receivable	254.69	254.69
Goods and Services tax refund receivable	-	193.51
Prepaid expenses	74.84	42.60
<i>Considered doubtful</i>		
Service tax refund receivable	50.72	50.72
Less: provision	(50.72)	(50.72)
Goods and Services tax refund receivable	53.94	45.47
Less: provision	(53.94)	(45.47)
	<b>329.53</b>	<b>490.80</b>

## 11 Current investments

## Non-trade, unquoted investments

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<i>Investments in Mutual Fund carried at fair value through profit or loss</i>		
<b>HDFC Mutual Fund - Regular Plan - Daily Reinvest</b>		
65,003.952 units of ₹ 1,019.82 (30 June 2020: 33,858.799 units of ₹ 1,019.82)	662.92	345.30
<b>ICICI Prudential Mutual Fund - Daily - Reinvest</b>		
760,048.699 units of ₹ 100.1482 (30 June 2020: 483,203.881 units of ₹ 100.1482)	761.18	483.92
<b>Aditya Birla Sun Life Mutual Fund - Daily - Regular Plan - Reinvest</b>		
857,041.123 units of ₹ 100.1950 (30 June 2020: 69,573.485 units of ₹ 100.1950)	858.71	69.71
<b>SBI Mutual Fund - Daily - Reinvest</b>		
Nil (30 June 2020: 11,699.353 units of ₹ 1,014.7569)	-	118.72
<b>Total</b>	<b>2,282.81</b>	<b>1,017.65</b>
All units are in absolute numbers		
Aggregate amount of unquoted investments	<b>2,282.81</b>	<b>1,017.65</b>



## Notes to the financial statements (Continued)

12 Trade receivables  
(unsecured)

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Trade receivables		
a. Considered good	5,114.47	6,102.31
b. Credit impaired	228.34	280.32
Less: Loss allowance (refer note 36)	(228.34)	(280.32)
<b>Net trade receivables</b>	<b>5,114.47</b>	<b>6,102.31</b>
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note 38)	2,793.22	1,283.42
Loss allowance	-	-
<b>Net trade receivables</b>	<b>2,793.22</b>	<b>1,283.42</b>

## 13 Cash and cash equivalents

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
<b>Cash and cash equivalents</b>		
Balances with banks		
On current accounts	151.20	589.42
In EEFC accounts	641.41	839.94
Bank deposit with maturity less than 3 months	1,830.00	1,225.00
	<b>2,622.61</b>	<b>2,654.36</b>

## 14 Other balances with banks

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Margin money deposits	-	43.60
Unclaimed dividend *	274.10	377.28
Bank deposit with maturity more than 3 months but less than 12 months	-	1,750.00
	<b>274.10</b>	<b>2,170.88</b>

\*The Company can utilize this balance only towards settlement of unclaimed dividend.

**Margin money deposit**

Margin money deposits represents deposits with banks for issue of bank guarantees to various authorities amounting to ₹ Nil (30 June 2020: ₹ 43.6 lakhs) which are due to mature within twelve months of the reporting date.

## Notes to the financial statements (Continued)

## 15 Loans

*(Unsecured, considered good)*

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Lease deposits - Measured at amortised cost	8.43	19.36
	<b>8.43</b>	<b>19.36</b>

## 16 Other current financial assets

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Deposits	4.56	40.27
Interest accrued on bank deposits	5.32	10.74
Accrued service export incentive	617.24	617.24
Derivative asset - forward contracts	28.44	19.14
	<b>655.56</b>	<b>687.39</b>

## 17 Other current assets

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
<i>Considered good</i>		
Indirect taxes recoverable	533.39	549.59
Goods and Services tax refund receivable	312.96	890.78
Contract asset	949.40	573.53
Advances to suppliers	18.72	57.40
Employee advances	3.58	28.83
Prepaid expenses	747.37	603.73
<i>Considered doubtful</i>		
Indirect taxes recoverable	25.17	55.04
Less: provision	(25.17)	(55.04)
Goods and Services tax refund receivable	16.47	27.12
Less: provision	(16.47)	(27.12)
	<b>2,565.42</b>	<b>2,703.86</b>



## Notes to the financial statements (Continued)

## 18 Equity share capital

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Authorised share capital</b>		
20,200,000 (30 June 2020: 20,200,000) equity shares of ₹ 10 each	<b>2,020.00</b>	2,020.00
<b>Issued, subscribed and paid-up share capital</b>		
14,926,261 (30 June 2020: 14,926,261) equity shares of ₹ 10 each fully paid up	<b>1,492.63</b>	1,492.63
Forfeited shares *	<b>0.06</b>	0.06
<b>Total issued, subscribed and paid-up share capital</b>	<b>1,492.69</b>	1,492.69

\* Shares forfeited on 23 October 2003

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

## Equity shares

	30 June 2021		30 June 2020	
	Number of shares	₹ lakhs	Number of shares	₹ lakhs
At the beginning and end of the year	<b>14,926,261</b>	<b>1,492.63</b>	<b>14,926,261</b>	<b>1,492.63</b>

## b. Rights, preference and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## c. Details of equity shares held by the holding Company

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Accelya Holding World S.L.U		
11,143,295 (30 June 2020: 11,143,295) equity shares of ₹ 10 each fully paid	<b>1,114.33</b>	1,114.33

## d. Details of equity shares held by each shareholder holding more than 5% shares

	30 June 2021		30 June 2020	
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares
<b>Equity shares of ₹ 10 each fully paid</b>				
Accelya Holding World S.L.U	<b>11,143,295</b>	<b>74.66</b>	11,143,295	74.66

## Notes to the financial statements (Continued)

## 19 Other equity

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
<b>Reserves and surplus</b>		
Capital redemption reserve	95.38	95.38
Securities premium	3,169.84	3,169.84
General reserve	2,391.52	2,391.52
Retained earnings	15,800.48	16,444.84
	<b>21,457.22</b>	<b>22,101.58</b>
<b>(i) Capital redemption reserve</b>		
Balance at beginning of the year and end of the year	95.38	95.38
<b>(ii) Securities premium</b>		
Balance at beginning of the year and end of the year	3,169.84	3,169.84
<b>(iii) General reserve</b>		
Balance at beginning of the year and end of the year	2,391.52	2,391.52
<b>(iv) Retained earnings</b>		
Balance at beginning of the year	16,444.84	11,895.88
Add: Net profit for the year	4,519.34	8,863.84
Items that will not be reclassified to profit or loss:		
- Remeasurements of defined benefit obligation	80.84	(73.87)
- Income tax relating to above item	(20.35)	18.59
Less: Appropriations		
Dividend on equity shares	5,224.19	3,731.57
Dividend distribution tax (net of dividend distribution tax credit)	-	528.03
Total appropriations	5,224.19	4,259.60
<b>Balance at the end of the year</b>	<b>15,800.48</b>	<b>16,444.84</b>
<b>Total reserve and surplus</b>	<b>21,457.22</b>	<b>22,101.58</b>





## Notes to the financial statements (Continued)

## 20 Other non-current financial liabilities

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Derivative liability - forward contracts	-	86.80
Deposit received	1.65	4.65
	<b>1.65</b>	<b>91.45</b>

## 21 Non-current provisions

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Provision for employee benefits		
- Compensated absences (refer to note 34)	482.44	389.47
	<b>482.44</b>	<b>389.47</b>

## 22 Trade payables

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
- Total outstanding dues of micro and small enterprises (refer note 42)	17.13	12.35
- Total outstanding dues of creditors other than micro and small enterprises	936.66	2,167.57
	<b>953.79</b>	<b>2,179.92</b>
Total trade payables from related parties (refer note 38)	<b>380.83</b>	1,165.71

## 23 Other current financial liabilities

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Creditors for capital goods	772.80	373.45
Unclaimed dividends (refer footnote below)	274.10	377.28
Provision for salaries and incentives	1,033.64	851.98
Derivative liability - forward contracts	51.83	310.47
	<b>2,132.37</b>	<b>1,913.18</b>

During the year, unclaimed dividend of ₹ 115.51 lakhs was transferred to Investor Education and Protection Fund..

## Notes to the financial statements (Continued)

## 24 Current Provisions

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Provision for employee benefits		
- Compensated absences (refer note 34)	223.11	189.29
- Gratuity (refer note 34)	152.23	317.06
	<b>375.34</b>	<b>506.35</b>

## 25 Income tax liabilities (net)

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Provision for income tax (net of advance tax ₹ 10,063.09 lakhs, 30 June 2020: ₹ 9,556.44 lakhs)	295.87	55.49
	<b>295.87</b>	<b>55.49</b>

## 26 Other current liabilities

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Advances from customers	-	6.63
Statutory dues others	370.80	177.72
	<b>370.80</b>	<b>184.35</b>

## 27 Revenue from operations

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Sale of services	25,099.81	33,669.64
Other operating revenue	1.23	1,828.13
	<b>25,101.04</b>	<b>35,497.77</b>



## Notes to the financial statements (Continued)

## Disaggregate revenue information

## Disaggregation of revenue by geography

Continent	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Asia Pacific	8,059.96	12,350.07
Middle East and Africa	3,832.38	4,932.72
Americas	6,914.84	9,225.63
Europe	6,292.63	7,161.22
<b>Total</b>	<b>25,099.81</b>	<b>33,669.64</b>

## Disaggregation of revenue by service lines

Service lines	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Finance Solutions	19,729.43	27,784.91
Industry & Audit Solutions	987.76	847.55
Commercial Solutions	4,050.67	4,869.29
Cargo & Logistics	331.95	167.89
<b>Total</b>	<b>25,099.81</b>	<b>33,669.64</b>

## Remaining performance obligations

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 3,303.39 lakhs (30 June 2020: ₹ 5,330.45 lakhs) out of which approx. 52.38% (30 June 2020: approx. 52%) is expected to be recognised as revenue in next year and the balance thereafter.

## Contract asset and liabilities

During the year ended 30 June 2021, the Company recognized revenue of ₹ 825.40 lakhs out of opening gross deferred revenue of ₹ 1092.29 lakhs.

During the year ended 30 June 2021, ₹ 573.35 lakhs of unbilled revenue (Contract assets) which had an amount of ₹ 573.35 lakhs as at 01 July 2020, has been billed on completion of milestones and services.

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

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Contracted price	25,099.81	33,671.46
Reductions towards variable consideration components	-	1.82
<b>Revenue recognised</b>	<b>25,099.81</b>	<b>33,669.64</b>

The reduction towards variable consideration comprises of volume discounts.

## Notes to the financial statements (Continued)

## 28 Other income

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Foreign exchange gain, including gain on forward contracts (net)	412.31	-
Credit balances written back	90.10	191.72
Dividend from subsidiaries	787.14	1,017.31
Dividend from mutual funds	91.38	71.19
Gain on fair valuation of Investments	4.00	-
Profit on sale of property, plant and equipment, net	7.19	29.07
Interest income on deposit with banks	63.17	29.55
Interest income others	64.44	49.47
Miscellaneous income	356.53	98.33
	<b>1,876.26</b>	<b>1,486.64</b>

## 29 Employee benefits expense

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Salaries, wages and bonus	11,596.65	12,491.12
Contribution to Provident fund and Gratuity fund (refer note 34)	506.96	553.65
Staff welfare expenses	218.27	464.21
Less: Product development cost capitalised	(857.16)	(855.93)
	<b>11,464.72</b>	<b>12,653.05</b>

## 30 Depreciation and amortisation expenses

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Depreciation on property, plant and equipment (refer note 3)	1,543.90	1,321.45
Depreciation on right-of-use assets (refer note 35)	982.51	1,184.22
Amortisation on other intangible assets (refer note 4)	858.12	705.48
	<b>3,384.53</b>	<b>3,211.15</b>



## Notes to the financial statements (Continued)

## 31 Other expenses

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Advertisement and sales promotion	386.49	555.70
Payments to auditors (refer footnote below)	130.22	84.38
Communication and connectivity charges	464.01	483.37
Director's commission	4.00	3.00
Director's sitting and committee fees	24.60	23.70
Contribution to corporate social responsibility (refer note 43)	277.20	291.00
Insurance	32.64	41.62
Legal and professional fees	164.02	436.89
Management fees	511.87	683.96
Foreign exchange loss, including loss on forward contracts (net)	-	407.99
Power, fuel and water charges	200.91	307.06
(Reversal)/ Provision for doubtful debts	(51.98)	130.42
Bad debt written off	64.76	-
Write off of unbilled receivables	9.34	459.83
Rates and taxes	21.58	51.18
Withholding taxes written off	458.31	-
Rent (refer note 35)	118.24	316.40
Repairs and maintenance :		
- Machinery	233.83	216.92
- Others	185.33	161.43
Software and maintenance	1,323.18	1,202.21
Technical consultants charges	1,070.08	1,879.81
Travelling and conveyance	5.20	535.02
Miscellaneous expenses	208.76	475.59
Less: Product development cost capitalised	(36.75)	(66.39)
	<b>5,805.84</b>	<b>8,681.09</b>
<b>Payments to auditors*</b>		
- For audit	58.10	70.00
- For taxation matters #	69.81	-
- For other services	1.70	9.00
- For reimbursement of expenses	0.61	5.38
	<b>130.22</b>	<b>84.38</b>

\* Comparative amounts comprise of expenses related to erstwhile auditor.

# Comparative not presented as Deloitte Haskins & Sells LLP was not the auditor.

## Notes to the financial statements (Continued)

## 32 Earning per equity share (EPS)

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Profit after tax attributable to equity shareholders (A)	4,519.34	8,863.84
Number of equity shares at the beginning of the year	14,926,261	14,926,261
Number of equity shares outstanding at the end of the year	14,926,261	14,926,261
Weighted average number of equity shares outstanding during the year (B)	14,926,261	14,926,261
<b>Basic and diluted EPS:</b>		
Basic earnings per share (A / B)	30.28	59.38
Diluted earnings per share (A / B)	30.28	59.38
Face value per share (₹)	10.00	10.00

## 33 Income taxes

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
<b>A. Amounts recognised in statement of profit or loss</b>		
<b>Current tax</b>		
a) Current tax	1,367.69	2,818.57
b) Changes in estimates related to prior years ##	-	466.25
<b>Deferred tax:</b>		
Attributable to:		
c) Origination and reversal of temporary difference	(11.81)	(258.17)
	<b>1,355.88</b>	<b>3,026.65</b>

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

**B. Income tax recognised in other comprehensive income**

(20.35)

Nil



## Notes to the financial statements (Continued)

## 33 Income taxes (Continued)

## C. Reconciliation of effective tax rate

	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Profit before tax	5,875.22	11,890.49
Tax Rate	25.168%	25.168%
Tax using the Company's domestic tax rate	1,478.67	2,698.86
Changes in estimates related to prior years	-	466.25
Tax exempt income - income eligible for deduction	(198.11)	(16.96)
Non-deductible expenses	64.72	36.88
Income chargeable at lower rate of tax	-	(78.29)
Others	10.60	(80.09)
Effective tax	<b>1,355.88</b>	3,026.65
Current tax	1,367.69	2,818.57
Current tax relating to previous years	-	466.25
Deferred tax	(11.81)	(258.17)
Tax expense reported in the statement of comprehensive income	<b>1,355.88</b>	3,026.65

## D. Recognised deferred tax assets and liabilities

## Movement in temporary differences:

(₹ lakhs)

	Balance as at 1 July 2019	Recognised in OCI during 2019-20 ###	Recognised in profit or loss during 2019-20 ###	Balance as at 30 June 2020	Recognised in OCI during 2020-21	Recognised in profit or loss during 2020-21	Balance as at 30 June 2021
<b>Deferred tax assets arising on account of:</b>							
Provision for compensated absences	153.74	-	(8.08)	145.66	-	31.91	177.57
Allowance for doubtful debts	43.65	-	26.90	70.55	-	(13.08)	57.47
Difference between tax and book value of Property, plant and equipment	84.45	-	10.64	95.09	-	96.48	191.57
Mark to market loss on derivative instruments	-	-	99.99	99.99	-	(86.94)	13.05
Deferred Rent	175.27	-	(175.27)	-	-	-	-
Lease liability (net of right-of-use assets)	-	-	262.47	262.47	-	5.74	268.21
Others	171.98	18.59	(52.87)	137.70	(20.35)	(28.50)	88.85
<b>Less: Deferred tax liability arising on account of:</b>							
Mark to market gain on derivative instruments	(73.87)	-	65.66	(8.21)	-	1.05	(7.16)
Others	(39.35)	-	28.73	(10.62)	-	5.15	(5.47)
<b>Total</b>	<b>515.87</b>	<b>18.59</b>	<b>258.17</b>	<b>792.63</b>	<b>(20.35)</b>	<b>11.81</b>	<b>784.09</b>

### Note on change in Tax rate:

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

## Notes to the financial statements (Continued)

## 33 Income taxes (Continued)

## E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. This is long term capital loss which can only be set-off against future long term capital gain, which cannot be predicted.

(₹ lakhs)

	30 June 2021		30 June 2020	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	1,886.39	431.61	1,925.59	440.57
<b>Total</b>	<b>1,886.39</b>	<b>431.61</b>	<b>1,925.59</b>	<b>440.57</b>

## F. Tax losses carried forward

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

(₹ lakhs)

	30 June 2021	Expiry date	30 June 2020	Expiry date
Long term capital loss - FY 2012-13 (It is time barred)	-	-	39.20	2020-21
Long term capital loss - FY 2015-16	1,886.39	2023-24	1,886.39	2023-24

## 34 Employee benefits

## Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to ₹ 350.04 lakhs (30 June 2020: ₹ 390.92 lakhs).

## Defined benefit plan

The Company provides for gratuity, a defined benefit plan. The present value of the defined benefit liability, and the related current service cost and past service cost, are measured using the projected unit. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company. No other retirement benefits are provided to these employees.

## Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

## 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).

## 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.

## 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.





## Notes to the financial statements (Continued)

## 34 Employee benefits (Continued)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Changes in present value of obligations</b>		
<b>a) Liability recognised in the balance sheet</b>		
i) Present value of obligation		
Opening balance	1,299.47	1,074.72
Current service cost	121.17	128.60
Interest cost	68.82	74.85
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(6.60)	(7.39)
- change in financial assumptions	(63.38)	64.53
- experience variance (i.e. Actual experiences assumptions)	11.94	21.33
Benefits paid	(212.07)	(57.17)
Closing balance (i)	<b>1,219.35</b>	<b>1,299.47</b>
ii) Fair value of plan assets		
Opening balance	982.41	877.29
Investment Income	52.03	61.10
Employer's contributions	221.95	96.59
Return on plan assets	22.80	4.60
Benefits paid	(212.07)	(57.17)
Closing balance (ii)	<b>1,067.12</b>	<b>982.41</b>
<b>Net liability recognised in the balance sheet (i-ii)</b>	<b>152.23</b>	<b>317.06</b>
<b>b) Expenses recognised in statement of profit and loss</b>		
Current service cost	121.17	128.60
Net interest cost/ (income) on the net defined benefit liability/ (asset)	16.79	13.75
Expenses recognised in statement of profit and loss	<b>137.96</b>	<b>142.35</b>
<b>c) Expenses recognised in other comprehensive income</b>		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	(6.60)	(7.39)
- change in financial assumptions	(63.38)	64.53
- experience variance (i.e. Actual experience vs assumptions)	11.94	21.33
Return on plan assets	(22.80)	(4.60)
<b>Total</b>	<b>(80.84)</b>	<b>73.87</b>
<b>d) Break up of Plan assets</b>		
LIC of India - Insurer Managed Fund	100.00%	100.00%
<b>e) Maturity Profile of Defined Benefit Obligation</b>		
Expected cash flows over the next 5 years:		
Year 1	204.02	407.98
Year 2	159.97	119.88
Year 3	162.08	105.36
Year 4	158.64	99.73
Year 5	122.86	92.01

## Notes to the financial statements (Continued)

## 34 Employee benefits (Continued)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>f) Principal actuarial assumptions</b>		
Rate of discounting	6.30%	5.30%
Expected return on plan assets	6.30%	5.30%
Rate of increase in basic salary	5.00%	0% for next year and 5% thereafter
Attrition rate	13.00%	Voluntary - 13% Involuntary - 17% for next year
Weighted average duration (based on discounted cashflows)	6 years	5 years
Mortality	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Normal retirement age	58 years	58 years

The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2021-22 will be ₹ 266.03 lakhs.

**Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, attrition rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	30 June 2021		30 June 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,293.02	1,153.02	1,371.03	1,235.27
Salary Growth Rate (- / + 1%)	1,153.48	1,290.60	1,235.66	1,369.07
Attrition Rate (- / + 50%)	1,177.95	1,239.73	1,299.36	1,294.04
Mortality Rate (- / + 10%)	1,219.19	1,219.50	1,299.42	1,299.51

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

**Compensated absences**

Compensated absences as at balance sheet date, determined on the basis of actuarial valuation based on the 'Projected unit credit method' is as below:

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Current provisions (refer note 24)	223.11	189.29
Non-current provisions (refer note 21)	482.44	389.47
	<b>705.55</b>	<b>578.76</b>

The amount charged to the Statement of Profit and Loss is ₹ 220.17 lakhs (30 June 2020: ₹ 88.84 lakhs)



## Notes to the financial statements (Continued)

## 34 Employee benefits (Continued)

	Year ended 30 June 2021	Year ended 30 June 2020
<b>Principal actuarial assumptions</b>		
Rate of discounting	6.30%	5.30%
Rate of increase in salary cost to company	10.00%	0% for next year and 10% thereafter
Attrition rate	13.00%	Voluntary - 13% Involuntary - 17% for next year
Weighted average duration (based on discounted cashflows)	4 years	4 years
Mortality	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Normal retirement age	58 years	58 years

## 35 Leases

**Operating lease**

The Company has entered into non cancellable operating leases for office premises. Effective 1 July 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective method. The Company has elected the practical expedients, which allows the Company not to reassess, its prior conclusions about lease identification, lease classification and initial direct costs. On transition, the adoption of the new standard resulted in recognition of Right-of-use asset of ₹ 5,044.12 lakhs and lease liability of ₹ 5,460.42 lakhs in the previous period.

Following are the changes in the carrying value of right of use assets for the year ended 30 June 2021:

Particulars	Leasehold premises ₹ lakhs
Balance as of 1 July 2019	5,044.12
Deletions of right-of-use assets	-
Amortisation	(1,184.21)
Balance as of 30 June 2020	3,859.91
Additions of right-of-use assets	123.01
Deletions of right-of-use assets	(180.96)
Amortisation	(982.51)
<b>Balance as of 30 June 2021</b>	<b>2,819.45</b>

## Notes to the financial statements (Continued)

## 35 Leases (Continued)

The following is the break-up of current and non-current lease liabilities as at 30 June 2021:

Particulars	As at	As at
	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Current lease liabilities	981.29	946.52
Non-current lease liabilities	2,903.84	3,956.24
<b>Total</b>	<b>3,885.13</b>	<b>4,902.76</b>

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

The following is the movement in lease liabilities:

Particulars	As at
	30 June 2021
	₹ lakhs
Balance as of 1 July 2019	5,460.22
Additions during the year	-
Deletions during the year	-
Finance cost accrued during the period	548.63
Payment of lease liabilities	(1,009.91)
Lease waiver	(96.18)
Balance as of 1 July 2020	<b>4,902.76</b>
Additions during the year	119.28
Deletions during the year	(180.96)
Finance cost accrued during the period	446.99
Payment of lease liabilities	(1,392.00)
Lease waiver	(10.94)
<b>Balance as of 30 June 2021</b>	<b>3,885.13</b>

## Amount recognized in Statement of Profit and Loss

Particulars	30 June 2021	30 June 2020
	₹ lakhs	₹ lakhs
Interest on lease liabilities	446.99	548.63
Depreciation on right-of-use assets	982.51	1,184.22
<b>Total</b>	<b>1,429.50</b>	<b>1,732.85</b>

Rental expense recorded for short-term leases is ₹ 112.14 lakhs for the year ended 30 June 2021 (30 June 2020: ₹ 304.46 lakhs).

The total cash outflow for leases is ₹ 1,515.28 lakhs for the year ended 30 June 2021, including cash outflow of short-term leases (30 June 2020: ₹ 1,314.37 lakhs).

The Company has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods as at 30 June 2021 is ₹ 5,867.55 lakhs.

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



## Notes to the financial statements (Continued)

## 36 Financial instruments

## Financial instruments – Fair values and risk management

## A. Accounting classification and fair values

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(₹ lakhs)

30 June 2021	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Investments in Shares of Co-operative Banks	5	0.10	-	-	0.10	-	-	0.10	0.10
Non current lease deposits	6	-	-	295.74	295.74	-	-	-	-
Other non-current financial assets	7	-	-	4.43	4.43	-	-	-	-
Other deposits	7	-	-	92.51	92.51	-	-	-	-
Mutual fund investments	11	2,282.81	-	-	2,282.81	2,282.81	-	-	2,282.81
Trade receivables	12	-	-	5,114.47	5,114.47	-	-	-	-
Unbilled receivables		-	-	2,033.65	2,033.65	-	-	-	-
Current lease deposits	15	-	-	8.43	8.43	-	-	-	-
Cash and cash equivalents	13	-	-	2,622.61	2,622.61	-	-	-	-
Other bank balances	14	-	-	274.10	274.10	-	-	-	-
Derivative financial assets - current	16	28.44	-	-	28.44	-	28.44	-	28.44
Other current financial assets	16	-	-	627.12	627.12	-	-	-	-
		<b>2,311.35</b>	<b>-</b>	<b>11,073.06</b>	<b>13,384.41</b>	<b>2,282.81</b>	<b>28.44</b>	<b>0.10</b>	<b>2,311.35</b>
<b>Financial liabilities</b>									
Lease liabilities - non current #####		-	-	2,903.84	2,903.84	-	-	-	-
Other non-current financial liabilities	20	-	-	1.65	1.65	-	-	-	-
Trade payables	22	-	-	953.79	953.79	-	-	-	-
Lease liabilities - current #####		-	-	981.29	981.29	-	-	-	-
Derivative financial liabilities - current	23	51.83	-	-	51.83	-	51.83	-	51.83
Other current financial liabilities	23	-	-	2,080.54	2,080.54	-	-	-	-
		<b>51.83</b>	<b>-</b>	<b>6,921.11</b>	<b>6,972.94</b>	<b>-</b>	<b>51.83</b>	<b>-</b>	<b>51.83</b>

##### Fair value measurement of lease liabilities is not required.

## Notes to the financial statements (Continued)

## Financial Instruments - Fair values and risk management (Continued)

## A. Accounting classification and fair values (Continued)

(₹ lakhs)

30 June 2020	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Investments in Shares of Co-operative Banks	5	0.60	-	-	0.60	-	-	0.60	0.60
Non current lease deposit	6	-	-	450.28	450.28	-	-	-	-
Derivative financial assets - non current	7	13.50	-	-	13.50	-	13.50	-	13.50
Other non-current financial assets	7	-	-	9.25	9.25	-	-	-	-
Other deposits	7	-	-	95.97	95.97	-	-	-	-
Current investments	11	1,017.65	-	-	1,017.65	1,017.65	-	-	1,017.65
Trade receivables	12	-	-	6,102.31	6,102.31	-	-	-	-
Unbilled receivables		-	-	1,449.89	1,449.89	-	-	-	-
Current lease deposits	15	-	-	19.36	19.36	-	-	-	-
Cash and cash equivalents	13	-	-	2,654.36	2,654.36	-	-	-	-
Other bank balances	14	-	-	2,170.88	2,170.88	-	-	-	-
Derivative financial assets - current	16	19.14	-	-	19.14	-	19.14	-	19.14
Other current financial assets	16	-	-	668.25	668.25	-	-	-	-
		1,050.89	-	13,620.55	14,671.44	1,017.65	32.64	0.60	1,050.89
<b>Financial liabilities</b>									
Lease liabilities - non current #####		-	-	3,956.24	3,956.24	-	-	-	-
Derivative financial liabilities - non current	20	86.80	-	-	86.80	-	86.80	-	86.80
Other non-current financial liabilities	20	-	-	4.65	4.65	-	-	-	-
Trade payables	22	-	-	2,179.92	2,179.92	-	-	-	-
Lease liabilities - current #####		-	-	946.52	946.52	-	-	-	-
Derivative financial liabilities - current	23	310.47	-	-	310.47	-	310.47	-	310.47
Other current financial liabilities	23	-	-	1,602.71	1,602.71	-	-	-	-
		397.27	-	8,690.04	9,087.31	-	397.27	-	397.27

##### Fair value measurement of lease liabilities is not required.



## Notes to the financial statements (Continued)

### Financial Instruments - Fair values and risk management (Continued)

#### B. Measurement of fair values

Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price/ declared NAV.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range. The carrying value of financial instruments measured at amortized cost approximates their fair value.

#### C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

##### i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

##### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, unbilled receivables and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date:

(₹ lakhs)

	30 June 2021	30 June 2020
Investments	2,282.81	1,017.65
Loans	304.17	469.64
Trade receivables	5,114.47	6,102.31
Unbilled receivables	2,033.65	1,449.89
Cash and cash equivalents	2,622.61	2,654.36
Other bank balances	274.10	2,170.88
Other financial assets	752.50	806.11
	<b>13,384.31</b>	<b>14,670.84</b>

The Company does not expect any credit risk on the amount recoverable from related parties.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which

## Notes to the financial statements (Continued)

## Financial Instruments - Fair values and risk management (Continued)

the customer operates, also has an influence on credit risk assessment. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Financial Assets are written off when there is no reasonable expectation of recovery from the customer.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	(₹ lakhs)	
	As at 30 June 2021	As at 30 June 2020
Neither past due nor impaired	-	-
Past due but not impaired	3,214.62	2,103.83
Past due 1–90 days	1,300.95	2,174.55
Past due 91–180 days	301.86	1,041.04
Past due 181–270 days	47.53	760.76
Past due 271–365 days	49.82	-
Past due more than 365 days	199.69	22.13
	<b>5,114.47</b>	<b>6,102.31</b>

**Expected credit loss assessment:**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given the critical nature of the services of the Company to its customers, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss as at 30 June, 2021 relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	(₹ lakhs)
	As at 30 June 2021
Balance as at 1 July 2019	149.90
Impairment loss recognised during the year	130.42
Amounts written off during year	-
Balance as at 30 June 2020	280.32
Impairment loss recognised during the year	12.76
Amounts written off during year	(64.74)
Balance as at 30 June 2021	<b>228.34</b>

Unbilled receivables are ₹ 2,033.65 lakhs and ₹ 1,449.89 lakhs as at 30 June 2021 and 30 June 2020 respectively. The Company's unbilled receivables generally ranges from 30 – 90 days.

Two customers accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2021 (30 June 2020: Two customers accounted for more than 10% of accounts receivable). Two customers accounted individually for more than 10% of the unbilled receivable and contract asset for the





## Notes to the financial statements (Continued)

## Financial Instruments - Fair values and risk management (Continued)

year ended 30 June 2021 (30 June 2020: Three customers accounted for more than 10% of unbilled receivable and contract asset)

**Cash and cash equivalents and mutual funds**

The Company held cash and cash equivalents and mutual funds with credit worthy banks and financial institutions of ₹ 4,905.42 lakhs as at 30 June 2021 (30 June 2020: ₹ 3,672.01 lakhs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained non-fund based working capital lines from bank. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- \* all non derivative financial liabilities
- \* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

(₹ lakhs)

	Contractual cash flows				Total
	1 year or less	1-2 years	2-5 years	More than 5 years	
<b>As at 30 June 2021</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	953.79	-	-	-	953.79
Lease liability - non current	-	2,881.86	391.80	-	3,273.66
Lease liability - current	1,336.93	-	-	-	1,336.93
Other current financial liabilities	2,080.54	-	-	-	2,080.54
Other non-current financial liabilities	-	-	-	1.65	1.65
<b>Derivative financial liabilities</b>					
<b>Forward exchange contracts (gross settled)</b>					
- Outflow	(6,739.00)	-	-	-	(6,739.00)
- Inflow	6,687.17	-	-	-	6,687.17
<b>As at 30 June 2020</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	2,179.92	-	-	-	2,179.92
Lease liability - non current	-	1,376.43	3,319.74	-	4,696.17
Lease liability - current	1,442.69	-	-	-	1,442.69
Other current financial liabilities	1,602.71	-	-	-	1,602.71
Other non-current financial liabilities	-	-	-	4.65	4.65
<b>Derivative financial liabilities</b>					
<b>Forward exchange contracts (gross settled)</b>					
- Outflow	(9,831.68)	(2,646.64)	-	-	(12,478.32)
- Inflow	9,521.21	2,559.84	-	-	12,081.05

## Notes to the financial statements (Continued)

## Financial Instruments - Fair values and risk management (Continued)

## iv. Market risk

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

## Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP and Euro, against the respective functional currencies of the Company and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

## Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

	(₹ lakhs)				
	EURO	GBP	USD	SGD	NZD
<b>As at 30 June 2021</b>					
Trade receivables	970.78	320.04	3,235.81	70.63	-
Unbilled receivables	430.59	165.23	2,145.23	107.04	-
EEFC accounts	264.91	97.23	279.27	-	-
Trade payables	(281.04)	(44.49)	(82.04)	-	-
<b>Net statement of financial position exposure</b>	<b>1,385.24</b>	<b>538.01</b>	<b>5,578.27</b>	<b>177.67</b>	<b>-</b>
Forward exchange contracts	978.94	319.52	3,279.04	-	-
<b>Net exposure</b>	<b>406.30</b>	<b>218.49</b>	<b>2,299.23</b>	<b>177.67</b>	<b>-</b>
<b>As at 30 June 2020</b>					
Trade receivables	674.92	168.79	1,884.73	155.16	-
Unbilled receivables	286.33	243.94	827.03	46.04	-
EEFC accounts	608.30	229.32	2.32	-	-
Trade payables	(740.49)	(70.61)	(362.10)	(28.65)	(5.21)
<b>Net statement of financial position exposure</b>	<b>829.06</b>	<b>571.44</b>	<b>2,351.98</b>	<b>172.55</b>	<b>(5.21)</b>
Forward exchange contracts	681.34	175.76	3,109.29	-	-
<b>Net exposure</b>	<b>147.72</b>	<b>395.68</b>	<b>(757.31)</b>	<b>172.55</b>	<b>(5.21)</b>

Notes to the financial statements *(Continued)*Financial Instruments - Fair values and risk management *(Continued)*

## Sensitivity analysis

A 10% strengthening/ weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

(₹ lakhs)

Currency	30 June 2021				30 June 2020			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
EUR	40.63	(40.63)	-	-	14.77	(14.77)	-	-
GBP	21.85	(21.85)	-	-	39.57	(39.57)	-	-
USD	229.92	(229.92)	-	-	(75.73)	75.73	-	-
SGD	17.77	(17.77)	-	-	17.26	(17.26)	-	-
NZD	-	-	-	-	(0.52)	0.52	-	-

(Note: The impact is indicated on the profit/ loss and equity before tax basis)

## Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no borrowings from banks and financial institutions. The Company has margin money deposit with bank at fixed interest rate. Any movement in the market interest rate is not expected to significantly impact the fair value of deposits.

## Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and bank balances and has no debt. The Company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

## 37 Segmental reporting

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance as a single business segment namely travel and transportation vertical. The Company's CODM is Managing Director.

In accordance with paragraph 4 of Ind AS 108 "Operating Segments", issued by the Central Government, the Company has presented segmental information only on the basis of the consolidated financial statements (refer note 38 of consolidated financial statements).

## 38 Related party transactions

## (A) Related parties disclosures

Related parties where control exists	Name	Holdings in %
Ultimate holding company	Accelya Group Topco Limited (formerly known as Aurora UK Topco Limited)	
Intermediate Holding Company	Accelya Group Holdco Limited (formerly known as Aurora UK Holdco Limited)	
Intermediate Holding Company	Accelya Group Midco 1 Limited (formerly known as Aurora UK Midco 1 Limited)	
Intermediate Holding Company	Accelya Group Midco 2 Limited (formerly known as Aurora UK Midco 2 Limited)	

Notes to the financial statements *(Continued)***(A) Related parties disclosures**

<b>Related parties where control exists</b>	<b>Name</b>	<b>Holdings in %</b>
Intermediate Holding Company	Aurora Lux Finco S.a.r.l.	
Intermediate Holding Company	Accelya Group Bidco Limited ( <i>formerly known as Aurora UK Bidco Limited</i> )	
Intermediate Holding Company	Accelya Topco Limited	
Intermediate Holding Company	Accelya Holdco Limited	
Intermediate Holding Company	Accelya Finco Limited	
Intermediate Holding Company	Accelya Midco Limited	
Intermediate Holding Company	<i>Accelya Bidco Limited</i>	
Holding company	Accelya Holding World S.L.U.	
Fellow subsidiaries	Accelya World S.L.U.	
	Accelya UK Limited	
	Accelya France SAS	
	Accelya America, S.A. de C.V.	
	Accelya Portugal Unipessoal Ltda.	
	Accelya US, Inc	
	Farelogix Inc.	
	Accelya Middle East FZE ( <i>formerly known as Mercator Solutions FZE</i> )	
	Accelya Services India Private Limited	
Subsidiaries	Accelya Solutions Americas Inc.	100%
	Accelya Solutions UK Limited	100%
Key management personnel	John Johnston - Chairman	
	Neela Bhattacharjee - Managing Director (refer footnote 1 below)	
	Shrimanikandan Ananthavaidhyanathan - Managing Director (refer footnote 2 below)	
	Gurudas Shenoy - Chief Financial Officer (refer footnote 3 below)	
	Uttamkumar Bhati - Chief Financial Officer (refer footnote 4 below)	
	Ninad Umranikar - Company Secretary	
Other related parties	K.K. Nohria - Director (refer footnote 5 below)	
	Sekhar Natarajan - Director	
	Nani Javeri - Director	
	Sangeeta Singh - Director	
	Jose Maria Hurtado - Director (refer footnote 6 below)	
	Amol Gupte - Director (refer footnote 7 below)	

1) Retired with effect from 30 June 2021

2) Appointed with effect from 01 July 2021

3) Upto 14 February 2021

4) With effect from 15 February 2021

5) Retired with effect from 24 September 2019.

6) Appointed with effect from 27 November 2019.

7) Appointed with effect from 20 May 2021.



## Notes to the financial statements (Continued)

## 38 Related party transactions (Continued)

## (B) Transactions with related parties

(₹ lakhs)

Nature of transactions	Year ended	Intermediate holding	Holding	Fellow subsidiaries	Subsidiaries	Other related party	Key management personnel	Total
Services rendered by the Company	30 June 2021	-	521.26	6,675.70	6,409.71	-	-	13,606.67
	30 June 2020	-	574.97	5,667.12	8,879.69	-	-	15,121.78
Services received by the Company	30 June 2021	-	801.02	852.02	-	-	-	1,653.04
	30 June 2020	-	991.32	1,291.53	-	-	-	2,282.85
Claims raised for expenses	30 June 2021	-	135.51	2,117.65	(11.04)	-	-	2,242.12
	30 June 2020	-	89.10	422.16	135.27	-	-	646.53
Claims received for expenses	30 June 2021	-	26.86	3.06	-	-	-	29.92
	30 June 2020	-	220.30	213.37	(43.92)	-	-	389.75
Remuneration	30 June 2021	-	-	-	-	-	522.38	522.38
	30 June 2020	-	-	-	-	-	343.44	343.44
Sitting fees	30 June 2021	-	-	-	-	24.60	-	24.60
	30 June 2020	-	-	-	-	23.70	-	23.70
Commission	30 June 2021	-	-	-	-	4.00	-	4.00
	30 June 2020	-	-	-	-	3.00	-	3.00
Dividend received	30 June 2021	-	-	-	787.14	-	-	787.14
	30 June 2020	-	-	-	1,017.31	-	-	1,017.31
Dividend paid	30 June 2021	763.62	3,900.15	-	-	-	0.79	4,664.56
	30 June 2020	-	2,785.82	-	-	-	2.21	2,788.03
<b>Balances outstanding</b>	<b>As at:</b>							
Payable	30 June 2021	-	222.51	158.32	-	-	-	380.83
	30 June 2020	-	502.23	663.48	-	-	-	1,165.71
Trade receivables	30 June 2021	-	157.87	2,482.53	251.95	-	-	2,892.35
	30 June 2020	-	128.64	825.00	329.78	-	-	1,283.42
Unbilled receivables	30 June 2021	-	7.60	614.62	1,255.03	-	-	1,877.25
	30 June 2020	-	24.22	540.43	660.49	-	-	1,225.14
Investment in subsidiary	30 June 2021	-	-	-	4,740.95	-	-	4,740.95
	30 June 2020	-	-	-	4,740.95	-	-	4,740.95

Notes to the financial statements *(Continued)*38 Related party transactions *(Continued)*

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

Nature of transaction	Year ended 30 June 2021 ₹ lakhs	Year ended 30 June 2020 ₹ lakhs
<b>Services rendered by the Company</b>		
Accelya Solutions Americas Inc.	5,365.78	7,425.93
Accelya Solutions UK Limited	1,043.93	1,453.77
Accelya Holding World S.L.U.	521.26	574.97
Accelya World S.L.U.	2,640.67	2,493.78
Accelya France SAS	406.59	441.31
Accelya UK Ltd	914.56	1,027.37
Accelya America, S.A. de C.V.	31.25	77.27
Accelya Portugal Unipessoal Ltda.	34.58	128.72
Accelya Middle East FZE	2,435.87	1,409.42
Accelya Services India Private Limited	100.71	89.24
Accelya US, Inc	65.98	-
Farelogix Inc.	45.49	-
<b>Services received by the Company</b>		
Accelya Holding World S.L.U.	801.02	991.32
Accelya World S.L.U.	306.23	549.56
Accelya UK Ltd	183.73	163.50
Accelya Middle East FZE	362.06	578.47
<b>Claims raised for expenses</b>		
Accelya Solutions Americas Inc.	(11.04)	127.71
Accelya Solutions UK Limited	-	7.57
Accelya Holding World S.L.U.	135.51	89.10
Accelya World S.L.U.	641.44	102.09
Accelya France SAS	3.77	5.88
Accelya UK Ltd	20.03	11.82
Accelya America, S.A. de C.V.	0.49	4.22
Accelya Portugal Unipessoal Ltda.	0.72	0.85
Accelya Middle East FZE	1,184.09	131.86
Accelya Services India Private Limited	266.72	165.43
Accelya US, Inc	0.39	-



## Notes to the financial statements (Continued)

## 38 Related party transactions (Continued)

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

Nature of transaction	(₹ lakhs)	
	Year ended 30 June 2021 ₹ lakhs	Year ended 30 June 2020 ₹ lakhs
<b>Claims received for expenses</b>		
Accelya Solutions UK Limited	-	(43.93)
Accelya Holding World S.L.U.	26.86	220.30
Accelya World S.L.U.	-	30.01
Accelya UK Ltd	(2.87)	36.09
Accelya Middle East FZE	5.93	65.86
Accelya Services India Private Limited	-	81.42
<b>Dividend received</b>		
Accelya Solutions Americas Inc.	551.03	641.07
Accelya Solutions UK Limited	236.11	376.24
<b>Dividend paid</b>		
Accelya Holding World S.L.U.	3,900.15	2,785.82
Accelya Group Bidco Limited	763.62	-
Gurudas Shenoy	0.06	0.54
Neela Bhattacharjee	0.73	0.52
Ninad Umranikar	-	1.15
<b>Remuneration</b>		
Neela Bhattacharjee	399.71	201.42
Gurudas Shenoy	57.64	99.26
Ninad Umranikar	38.47	42.76
Uttamkumar Bhati	26.56	-
<b>Sitting fees</b>		
K.K. Nohria	-	1.20
Sekhar Natarajan	6.90	7.20
Nani Javeri	8.70	7.20
Sangeeta Singh	8.70	8.10
Amol Gupte	0.30	-
<b>Commission</b>		
Sekhar Natarajan	1.00	1.00
Nani Javeri	1.00	1.00
Sangeeta Singh	1.00	1.00
Amol Gupte	1.00	-

## Notes to the financial statements (Continued)

## 38 Related party transactions (Continued)

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

	(₹ lakhs)	
	As at 30 June 2021	As at 30 June 2020
<b>Balances outstanding</b>		
<b>Payable</b>		
Accelya Holding World S.L.U.	222.51	502.23
Accelya World S.L.U.	55.28	233.31
Accelya UK Ltd	41.78	70.61
Accelya Middle East FZE	61.26	359.56
<b>Trade receivables</b>		
Accelya Solutions Americas Inc.	-	63.99
Accelya Solutions UK Limited	251.95	265.79
Accelya Holding World S.L.U.	157.87	128.63
Accelya World S.L.U.	524.75	376.57
Accelya UK Ltd	70.12	61.05
Accelya France SAS	106.63	35.65
Accelya America, S.A. de C.V.	-	19.63
Accelya Portugal Unipessoal Ltda.	0.72	31.64
Accelya Middle East FZE	1,576.51	252.35
Accelya Services India Private Limited	104.67	48.12
Accelya US, Inc	67.31	-
Farelogix Inc.	31.82	-
<b>Unbilled receivables</b>		
Accelya Solutions Americas Inc.	1,255.04	660.49
Accelya Holding World S.L.U.	7.60	24.22
Accelya World S.L.U.	293.74	230.44
Accelya UK Ltd	165.08	243.53
Accelya France SAS	133.38	65.61
Accelya Middle East FZE	22.41	0.85
<b>Investment in subsidiary</b>		
Accelya Solutions Americas Inc.	579.80	579.80
Accelya Solutions UK Limited	4,161.15	4,161.15





## Notes to the financial statements (Continued)

### 38 Related party transactions (Continued)

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

(₹ lakhs)

#### Key management personnel

	Year ended 30 June 2021	Year ended 30 June 2020
<b>Managerial remuneration (refer footnote below 1)</b>		
Short-term employment benefits	513.00	333.82
Post-employment benefits	9.38	9.62
<b>Total compensation</b>	<b>522.38</b>	<b>343.44</b>

- 1) The above figures do not include provisions for encashable leave as separate actuarial valuations are not available.
- 2) The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation. Based on the above, the Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for tax.

### 39 Capital and other commitments

(₹ lakhs)

	30 June 2021	30 June 2020
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	277.98	551.37

### 40 Contingent liabilities

(₹ lakhs)

	30 June 2021	30 June 2020
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed (net of provision)	246.68	254.69
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards certain transactions were chargeable to tax under Reverse Charge Mechanism pertaining to period April 2011 to March 2015. The Company has filed an appeal against the same with CESTAT.	591.22	591.22
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards reversal of CENVAT credit on Mutual Fund transactions pertaining to period July 2012 to March 2015 and April 2015 to June 2017. The Company has filed an appeal against the same with Commissioner (Appeals).	-	416.21

The Company has reviewed all its pending litigation and proceedings and has adequately provided where provision are required. The Company has disclosed contingent liabilities wherever applicable. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

## Notes to the financial statements (Continued)

## 41 Net dividend remitted in foreign exchange

Year of remittance (ending on)

Period to which the dividend relates	2020-21 (Interim dividend)	2018-19 (Final dividend)
Numbers of non-resident shareholders	13	12
Numbers of equity shares held on which dividend was due	13,338,409	11,156,636
Amount remitted (₹ lakhs)	4,668.44	1,673.50
Period to which the dividend relates	-	2019-20 (Interim dividend)
Numbers of non-resident shareholders	-	12
Numbers of equity shares held on which dividend was due	-	11,156,636
Amount remitted (₹ lakhs)	-	1,115.66

## 42 Disclosure under Micro Small and Medium Enterprises Development (MSMED) Act, 2006

Based on information and records available, the Company has following dues to micro and small enterprises during the years ended 30 June 2021 and 30 June 2020 and as at 30 June 2021 and 30 June 2020. This has been relied upon by the auditors.

Particulars	(₹ lakhs)	
	As at 30 June 2021	As at 30 June 2020
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	17.13	12.35
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	-	-

## 43 Corporate Social Responsibility

As per the Companies Act, 2013, all companies having net worth of ₹ 500 crores or more, or turnover of ₹ 1,000 crores or more or a net profit of ₹ 5 crores or more during any financial year will be required to constitute a Corporate Social Responsibility ("CSR") committee of the Board of Directors comprising three or more directors, at least one of whom shall be an independent director. The Company has constituted a committee comprising Mr. John Johnston, Mr. Nani Javeri and Ms. Sangeeta Singh as its members. The committee is responsible for formulating and monitoring the CSR policy of the Company.



## Notes to the financial statements (Continued)

The Company has implemented CSR activities through following organizations:

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

The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year is ₹ 347.00 lakhs (includes ₹ 69.80 lakhs being carried forward from previous year by CSA and Seva Sadan as they were unable to spend this amount in previous year).
- b) The Company's contribution to CSA and Seva Sadan Society towards CSR during the year was:
  - i) CSA: ₹ 235.9 lakhs (30 June 2020: ₹ 233 lakhs)
  - ii) Seva Sadan Society: ₹ 41.3 lakhs (30 June 2020: ₹ 58 lakhs).

### Details of ongoing CSR projects under Section 135(6) of the Act

(₹ lakhs)

Balance as at 1 July 2020		Amount required to be spent during the year	Amount spent during the year		Balance as at 30 June 2021	
With the Company	In separate CSR unspent account		From the Company's bank account	From separate CSR unspent account	With the Company	In separate CSR unspent account
-	-	18.95	5.81	-	-	13.14

### Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

(₹ lakhs)

Balance unspent as at 1 July 2020	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at 30 June 2021
69.80	-	328.05	328.05	-

### Details of excess CSR expenditure under Section 135(5) of the Act

(₹ lakhs)

Balance excess spent as at 1 July 2020	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 30 June 2021
-	347.00	333.86	-

#### 44 Long term contracts

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

#### 45 Dividend distribution

Dividends paid during the year ended 30 June, 2021 include an amount of ₹ 35 per equity share towards interim dividends for the year ending 30 June, 2021. Dividends paid during the year ended 30 June, 2020 include an amount of ₹ 15 per equity share towards final dividend for the year ended 30 June, 2019 and an amount of ₹ 10 per equity share towards interim dividends for the year ending 30 June, 2020.

Dividends declared by the Company are based on profits available for distribution. During the previous year, dividend distribution out of retained earnings was subject to applicable dividend distribution tax.

## Notes to the financial statements (Continued)

### 46 Impact of COVID 19

The Company is closely monitoring the impact on its customers on account of the COVID 19 Pandemic and the impact of external factors. At present, the Company does not foresee any material adverse impact in the demand for the software solutions and the Company is well positioned to fulfil its obligations relating to existing contracts / arrangements. The Management has taken into consideration internal and external sources of information in determining the impact on various elements on its financial statements.

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

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

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

### 47 Code on social security

The Parliament has approved Code on Social Security, 2020 ("Code") relating to various employee benefits including post-employment benefits. While the Code has received the President's assent and also been published, the effective date is yet to be notified and the rules to be prescribed. The impact on the financial statements shall be assessed and recorded once the Code becomes effective and relevant rules thereunder are prescribed.

### 48 Subsequent events

The Board of Directors has recommended a final dividend of ₹ 17 per equity share for the year ended 30 June, 2021, subject to the approval of the shareholders at the ensuing Annual General Meeting.

### 49 Previous year figures

Figures for the previous year have been regrouped/ reclassified wherever necessary to make them comparable.

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

**John Johnston**  
*Chairman*  
 DIN: 07258586  
 London

**Shrimanikandan Ananthavaidhyanathan**  
*Managing Director*  
 DIN: 09192936  
 Chennai

**Uttamkumar Bhati**  
*Chief Financial Officer*  
 Indore

**Ninad Umranikar**  
*Company Secretary*  
 Membership No: ACS14201  
 Pune  
 Date : 5 August 2021



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Accelya Solutions India Limited Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Accelya Solutions India Limited ("the Parent") and its subsidiaries, (Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 30 June 2021 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows 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, 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 30 June 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 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	<p><b>Product Development Cost - capitalised as internally generated Software</b></p> <p>Product development costs are recognised as internally generated intangible assets when technical feasibility is established, the Company has committed technical and commercial resources and future economic benefits are assessed as 'probable'.</p>	<p><b>Principal Audit Procedures performed:</b></p> <ul style="list-style-type: none"> <li>Evaluated the design, implementation and operating effectiveness of internal controls around the Company's assessment that the recorded costs meet the capitalisation criteria.</li> </ul>

Sr. No.	Key Audit Matters	Auditor's Response
	<p>Costs capitalised during the year represents the Personnel expenses viz. Salaries, wages and other employment related costs of personnel directly engaged in the projects during the development phase and expenditure on services that is directly attributable to the project such as professional fees engaged in the development phase;</p> <p>The assessment of the capitalisation criteria as set out in Ind AS 38 'Intangible Assets' is made at an early stage of product development. It involves:</p> <ul style="list-style-type: none"> <li>• Company's judgement to establish technical feasibility of the product;</li> <li>• Company's estimation of availability of committed technical and commercial resources; and</li> <li>• Inherent challenges in predicting future economic benefits which must be assessed as 'probable' for capitalisation to commence.</li> </ul> <p>There is a risk of development cost getting capitalised where the relevant criteria have not been met. Accordingly, we identified capitalisation of product development cost as a key audit matter. Refer note 2(g) (iii) to the consolidated financial statement.</p>	<ul style="list-style-type: none"> <li>• Evaluated initiation of capitalisation of the product development costs including Company's controls over estimation of the future economic benefit of the projects;</li> <li>• One of the criteria relating to future economic benefits being assessed as 'probable' was evaluated by analyzing its estimated profitability.</li> <li>• substantive procedures performed for costs incurred towards projects by using statistical sampling;</li> <li>• Analysed and determined the costs which are capitalized are 'directly attributable' towards product development activities; and</li> <li>• Assessed Company's estimate of any possible effect from COVID-19 pandemic such as discontinuance or suspension.</li> </ul> <p>We have evaluated the adequacy of disclosures in the financial statements in view of the requirements as specified in the standard</p>
2	<p><b>Expected Credit Losses on trade receivables:</b></p> <p>The Company has trade receivables due from customers as stated in Note 2(d)(iii) and 12 to the consolidated financial statements.</p> <p>The management determined the allowance for credit losses based on current conditions and forecast of future conditions taking into consideration historical loss experience. During the year, management has considered additional provisions based on the current and anticipated future economic conditions arising from the COVID -19 pandemic event on the customers' business operations and the consequent ability to pay.</p> <p>In computing the expected credit losses, the Company has also considered external sources of information relating to its customers' credit risk that were available in public domain to estimate the probable loss in future and has taken into account possible effects from the pandemic relating to COVID -19.</p> <p>We identified the valuation assertion relating to the allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p>	<p><b>Principal Audit Procedures performed:</b></p> <p>We evaluated the design and tested the effectiveness of controls over the (1) input data used by the management such as the customers' credit risk and related information (2) completeness and accuracy of information used in the estimation of probable loss and (3) computation of the allowance for credit losses.</p> <p>For a sample customers on the basis of statistical sampling we have tested:</p> <ul style="list-style-type: none"> <li>- sample of invoices to verify the accuracy of the aging data considered.</li> <li>- realization of receivables subsequent to the balance sheet date.</li> <li>- other input data used by the management such as the customers' credit risk and related information by corroborating the same with internal source of information and to the extent publicly available, the external sources of information.</li> <li>- mathematical accuracy and computation of the allowances by using the above input data to determine if there were any material differences in the aggregate.</li> </ul>



Sr. No.	Key Audit Matters	Auditor's Response
3	<p><b>Assessment of Impairment of Goodwill</b></p> <p>The Group carries goodwill resulting from business acquisitions. There is a risk that the carrying amount of goodwill is not supported by performance of the CGUs to which goodwill is allocated.</p> <p>Any adverse change in the business activities due to internal or external factors such as the financial and economic environment where the Group operates, may have a significant adverse effect on the recoverable amount of goodwill and require the recognition of impairment.</p> <p>In such a case, it is necessary to reassess the appropriateness of the key assumptions related to forecasts of future revenues, discount rate and perpetual growth rate used to determine the recoverable amount, the reasonableness and consistency of the criteria used in the calculation in line with the requirements of Ind AS 36 – Impairment of Assets.</p> <p>Refer note 46 of the Consolidated Financial Statements.</p>	<p><b>Principal Audit Procedures performed:</b></p> <ul style="list-style-type: none"> <li>• Evaluated the design and tested the operating effectiveness of internal controls over management's goodwill impairment evaluation.</li> <li>• Evaluated the independence of the specialist engaged by the Company and reviewed the valuation report issued by such specialist;</li> <li>• We assessed the reasonableness of management's assumptions by:                         <ul style="list-style-type: none"> <li>- evaluating the appropriateness of the model used to calculate value in use;</li> <li>- have assessed key valuation assumptions such as weighted average cost of capital (WACC) which was used for discounting the future cash flows and perpetual growth rate applied by the Company for the purposes of computing value-in-use;</li> <li>- validating the cash flow forecasts with reference to historical forecasts and actual performance;</li> <li>- evaluating the underlying key business assumptions related to future revenues and operating margins in estimating projections including cash flows;</li> <li>- assessing the sensitivity of the outcome of impairment assessment in response to changes in the key assumptions.</li> </ul> </li> </ul>

**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 information included in the Directors' Report, Annexures to it and Management Discussion & Analysis etc. but does not include the consolidated financial statements, standalone financial statement and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's 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 Boards 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and





performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows 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 30 June 2021 taken on record by the Board of Directors of the Parent none of the directors of the Parent is disqualified as on 30 June 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.
- 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 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) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent

**For DELOITTE HASKINS & SELLS LLP**  
*Chartered Accountants*  
(Firm's Registration No. 117366W/W-100018)

**Joe Pretto**  
(Partner)  
(Membership No. 77491)  
(UDIN: 21077491AAAABN1817)

Place : Mumbai  
Date : 05 August, 2021



## ANNEXURE A TO THE 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 Act

In conjunction with our audit of the consolidated financial statements of the Accelya Solutions India Limited ("the Parent" or "the Company") as of and for the year ended 30 June 2021, we have audited the internal financial controls over financial reporting

#### 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 respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 30 June 2021 based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For DELOITTE HASKINS & SELLS LLP**

*Chartered Accountants*

(Firm's Registration No. 117366W/W-100018)

**Joe Pretto**

(Partner)

(Membership No. 77491)

(UDIN: 21077491AAAABN1817)

Place : Mumbai

Date : 05 August, 2021



<b>Consolidated balance sheet as at 30 June 2021</b>	Note	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,471.55	4,050.23
Right-of-use assets	36	2,819.45	3,902.89
Capital work-in-progress	3.1	853.37	466.07
Goodwill		3,290.43	2,961.00
Other intangible assets	4	2,901.05	2,769.67
Intangible assets under development	4.1	16.41	102.64
<b>Financial assets</b>			
Investments	5	0.10	0.60
Loans	6	295.74	455.63
Other financial assets	7	104.78	126.23
Income tax assets (net)	8	102.89	265.86
Deferred tax assets (net)	9	776.09	783.81
Other non-current assets	10	598.53	542.15
<b>Total non-current assets</b>		<b>15,230.39</b>	<b>16,426.78</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	11	2,655.38	1,475.99
Trade receivables	12	6,399.74	8,334.84
Unbilled receivables		838.41	1,190.57
Cash and cash equivalents	13	4,799.72	3,877.82
Other balances with banks	14	274.53	2,171.29
Loans	15	8.43	19.36
Other financial assets	16	655.56	687.40
Income tax assets (net)	17	8.77	16.52
Other current assets	18	3,477.69	3,318.41
<b>Total current assets</b>		<b>19,118.23</b>	<b>21,092.20</b>
<b>TOTAL ASSETS</b>		<b>34,348.62</b>	<b>37,518.98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19	1,492.69	1,492.69
Other equity	20	22,363.81	22,982.82
<b>Total equity</b>		<b>23,856.50</b>	<b>24,475.51</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	36	2,903.84	3,987.43
Other financial liabilities	21	1.65	91.45
Provisions	22	482.44	389.47
<b>Total non-current liabilities</b>		<b>3,387.93</b>	<b>4,468.35</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	36	981.29	958.48
Trade payables			
a. Total outstanding dues of micro enterprises and small enterprises	23	17.13	12.35
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	23	1,738.82	3,338.75
Other financial liabilities	24	2,148.81	2,007.70
Provisions	25	443.36	733.53
Contract liabilities		1,105.35	1,276.58
Income tax liabilities (net)	26	297.44	60.35
Other current liabilities	27	371.99	187.38
<b>Total current liabilities</b>		<b>7,104.19</b>	<b>8,575.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,348.62</b>	<b>37,518.98</b>

The accompanying notes form an integral part of the financial statements

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As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No: 117366W/W-100018

**Joe Pretto**

Partner

Membership No: 77491

**John Johnston**

Chairman

DIN: 07258586

London

**Uttamkumar Bhati**

Chief Financial Officer

Indore

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

Accelya Solutions India Limited

CIN: L74140PN1986PLC041033

**Shrimanikandan Ananthavaidhyanathan**

Managing Director

DIN: 09192936

Chennai

**Ninad Umranikar**

Company Secretary

Membership No: ACS14201

Pune

Date : 5 August 2021

Place : Mumbai

Date : 5 August 2021

<b>Consolidated Statement of Profit and Loss for the year ended 30 June 2021</b>	<b>Note</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Revenue</b>			
Revenue from operations	28	29,036.58	41,202.82
Other income	29	1,066.92	503.19
<b>Total income</b>		<b>30,103.50</b>	<b>41,706.01</b>
<b>Expenses</b>			
Employee benefits expense	30	11,991.48	13,349.81
Finance costs		445.31	554.69
Depreciation and amortisation expenses	31	3,398.42	3,244.65
Other expenses	32	8,490.76	12,523.22
<b>Total expenses</b>		<b>24,325.97</b>	<b>29,672.37</b>
<b>Profit before tax</b>		<b>5,777.53</b>	<b>12,033.64</b>
<b>Tax expense:</b>			
Current tax	34	1,570.06	3,608.42
Deferred tax	34	(12.63)	(255.73)
<b>Total tax expense</b>		<b>1,557.43</b>	<b>3,352.69</b>
<b>Profit for the year</b>		<b>4,220.10</b>	<b>8,680.95</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit obligation		80.84	(73.87)
Income tax relating to above item		(20.35)	18.59
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences on translation of foreign operations		324.59	353.33
Income tax relating to above item		-	-
<b>Total Other comprehensive income</b>		<b>385.08</b>	<b>298.05</b>
<b>Total comprehensive income for the year</b>		<b>4,605.18</b>	<b>8,979.00</b>
<b>Earnings per equity share (face value of ₹ 10 each)</b>			
Basic and diluted	33	28.27	58.16

The accompanying notes form an integral part of the consolidated financial statements

2 - 52

As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
Firm's Registration No: 117366W/W-100018

**Joe Pretto**  
Partner  
Membership No: 77491

**John Johnston**  
Chairman  
DIN: 07258586  
London

**Uttamkumar Bhati**  
Chief Financial Officer  
Indore

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

**Shrimanikandan Ananthavaidhyanathan**  
Managing Director  
DIN: 09192936  
Chennai

**Ninad Umranikar**  
Company Secretary  
Membership No: ACS14201

Pune

Date : 5 August 2021

Place : Mumbai  
Date : 5 August 2021



**Consolidated Statement of Changes in Equity  
for the year ended 30 June 2021**

**A. Equity share capital**

	Note	Number of shares	₹ lakhs
Balance as at 1 July 2019		14,926,866	1,492.69
Changes in equity share capital during 2019-20		-	-
<b>Balance as at 30 June 2020</b>	<b>19</b>	<b>14,926,866</b>	<b>1,492.69</b>
Changes in equity share capital during 2020-21		-	-
<b>Balance as at 30 June 2021</b>	<b>19</b>	<b>14,926,866</b>	<b>1,492.69</b>

**B. Other equity**

(₹ lakhs)

Particulars	Attributable to the owners of the Company						Total
	Reserves & Surplus				Items of OCI		
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Translation reserve		
<b>Balance at 1 July, 2019</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,369.53</b>	<b>12,789.72</b>	<b>(161.05)</b>		<b>18,263.42</b>
Profit for the year	-	-	-	8,680.95	-	-	8,680.95
Remeasurement of defined benefit plan (net of tax)	-	-	-	(55.28)	-	-	(55.28)
Exchange differences on translation of foreign operations	-	-	-	-	353.33	-	353.33
<b>Total comprehensive income for the year</b>				<b>8,625.67</b>	<b>353.33</b>		<b>8,979.00</b>
<b>Other changes</b>							
Interim dividend	-	-	-	(1,492.63)	-	-	(1,492.63)
Dividend distribution tax on interim dividend	-	-	-	(276.92)	-	-	(276.92)
Dividend distribution tax credit	-	-	-	209.11	-	-	209.11
Final equity dividend	-	-	-	(2,238.94)	-	-	(2,238.94)
Dividend distribution tax on final dividend	-	-	-	(460.22)	-	-	(460.22)
<b>Balance at 30 June, 2020</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,369.53</b>	<b>17,155.79</b>	<b>192.28</b>		<b>22,982.82</b>
<b>Balance at 1 July, 2020</b>	<b>95.38</b>	<b>3,169.84</b>	<b>2,369.53</b>	<b>17,155.79</b>	<b>192.28</b>		<b>22,982.82</b>
Profit for the year	-	-	-	4,220.10	-	-	4,220.10
Remeasurement of defined benefit plan (net of tax)	-	-	-	60.49	-	-	60.49
Exchange differences on translation of foreign operations	-	-	-	-	324.59	-	324.59
<b>Total comprehensive income for the year</b>				<b>4,280.59</b>	<b>324.59</b>		<b>4,605.18</b>

Particulars	Attributable to the owners of the Company					Total
	Reserves & Surplus				Items of OCI	
	Capital redemption reserve	Securities premium	General reserve	Retained earnings		
<b>Other changes</b>	-	-	-	(5,224.19)	-	(5,224.19)
Interim dividend	95.38	3,169.84	2,369.53	16,212.19	516.87	22,363.81
<b>Balance at 30 June, 2021</b>						

Pursuant to the requirements of Division II to Schedule III of Companies Act, 2013, below is the nature and purpose of the above:

**(i) Capital redemption reserve**

Capital redemption reserve was created on account of buy-back of equity share capital.

**(ii) Securities premium**

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

**(iii) General reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

**(iv) Retained earnings**

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

**(v) Translation reserve**

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

The accompanying notes form an integral part of the consolidated financial statements (refer note 2 to 52)

As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
Firm's Registration No: 117366W/W-100018

**Joe Pretto**

Partner  
Membership No: 77491

**John Johnston**

Chairman  
DIN: 07258586  
London

**Uttamkumar Bhati**

Chief Financial Officer  
Indore

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

Shrimanikandan Ananthavaidyanathan  
Managing Director  
DIN: 09192936  
Chennai

**Ninad Umranikar**  
Company Secretary  
Membership No: ACS14201

Pune  
Date : 5 August 2021

Place : Mumbai  
Date : 5 August 2021





<b>Consolidated statement of cash flows for the year ended 30 June 2021</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Cash flows from operating activities</b>		
<b>Profit for the year</b>	<b>4,220.10</b>	8,680.95
<b>Adjustments for:</b>		
Depreciation and amortization expenses	<b>3,398.42</b>	3,244.65
Income tax expense	<b>1,557.43</b>	3,352.69
Net (Gain) on sale of property, plant and equipment	<b>(7.19)</b>	(29.07)
(Reversal)/ Provision for doubtful debts	<b>(21.44)</b>	376.91
Bad debts written off	<b>64.76</b>	-
Write off of unbilled receivables	<b>9.34</b>	459.83
Withholding taxes written off	<b>479.05</b>	-
Write off of investment	<b>0.50</b>	-
Earnest money deposit written off	<b>7.31</b>	-
Credit balances written back	<b>(79.16)</b>	(104.66)
Unrealised exchange (gain)/ loss	<b>(373.28)</b>	432.97
Finance costs	<b>445.31</b>	554.69
COVID 19 related rent concessions	<b>(10.94)</b>	(96.18)
Interest income	<b>(128.14)</b>	(79.39)
Gain on fair valuation of investments	<b>(18.22)</b>	(24.38)
Dividend income from mutual fund	<b>(91.38)</b>	(71.19)
Operating cash flows before movements in working capital	<b>9,452.47</b>	16,697.82
<b>Working capital changes:</b>		
Decrease/ (Increase) in trade receivables	<b>1,916.77</b>	(782.44)
Decrease/ (Increase) in financial assets	<b>263.57</b>	(387.69)
(Increase)/ Decrease in other assets	<b>(163.88)</b>	1,565.49
Decrease/ (Increase) in unbilled revenue	<b>342.82</b>	(683.34)
(Decrease)/ Increase in trade payables	<b>(1,506.13)</b>	813.68
Increase/ (Decrease) in financial liabilities	<b>89.41</b>	(686.45)
(Decrease)/ Increase in other liabilities	<b>(87.90)</b>	755.34
<b>Cash generated from operations</b>	<b>10,307.13</b>	17,292.41
Taxes paid (net of refunds)	<b>(1,641.30)</b>	(4,200.88)
<b>Net cash from operating activities (A)</b>	<b>8,665.83</b>	13,091.53
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	<b>(1,869.03)</b>	(4,721.82)
Proceeds from sale of property, plant and equipment	<b>18.20</b>	36.81
Interest received on bank deposits	<b>68.49</b>	23.68
Dividend received on mutual fund investments	<b>91.38</b>	71.19
Purchase of mutual fund	<b>(11,490.88)</b>	(22,281.23)
Proceeds from sale of mutual fund	<b>10,329.71</b>	22,499.91
Bank deposits having maturity more than 3 months - placed	<b>(0.55)</b>	(1,798.40)
Bank deposits having maturity more than 3 months - matured	<b>1,799.08</b>	44.54
<b>Net cash (used in) investing activities (B)</b>	<b>(1,053.60)</b>	(6,125.32)

<b>Consolidated statement of cash flows for the year ended 30 June 2021</b>	<b>30 June 2021 ₹ lakhs</b>	<b>30 June 2020 ₹ lakhs</b>
<b>Cash flow from financing activities</b>		
Dividend paid (including dividend distribution tax thereon)	(5,224.19)	(4,259.59)
Repayment of lease liabilities	(957.49)	(489.77)
Interest paid	(445.31)	(554.69)
<b>Net cash (used in) financing activities (C)</b>	<b>(6,626.99)</b>	<b>(5,304.05)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>985.24</b>	<b>1,662.16</b>
Cash and cash equivalents at the beginning of the year	<b>3,877.82</b>	2,145.45
Effect of exchange differences on cash and cash equivalents held in foreign currency	<b>(63.34)</b>	70.21
Cash and cash equivalents at the end of the year	<b>4,799.72</b>	<b>3,877.82</b>
<b>Note to Cash flow statement:</b>		
<b>(a) Components of cash and cash equivalents</b>		
Balance with banks		
in current accounts	<b>2,328.31</b>	1,812.88
in EEFC accounts	<b>641.41</b>	839.94
Bank deposit with maturity less than 3 months	<b>1,830.00</b>	1,225.00
<b>Total cash and cash equivalents</b>	<b>4,799.72</b>	<b>3,877.82</b>

**Reconciliation of liabilities from financing activities for the year ended 30 June 2021**

₹ lakhs

Particulars	As at 30 June, 2020	Proceeds/ impact of Ind AS 116	Repayment	Fair value changes	As at 30 June 2021
Lease liabilities	4,945.91	342.02	(1,402.80)	-	3,885.13
<b>Total liabilities from financing activities</b>	<b>4,945.91</b>	<b>342.02</b>	<b>(1,402.80)</b>	<b>-</b>	<b>3,885.13</b>

**Reconciliation of liabilities from financing activities for the year ended 30 June 2020**

₹ lakhs

Particulars	As at 30 June, 2019	Proceeds/ impact of Ind AS 116	Repayment	Fair value changes	As at 30 June 2020
Lease liabilities	-	5,990.37	(1,044.46)	-	4945.91
<b>Total liabilities from financing activities</b>	<b>-</b>	<b>5,990.37</b>	<b>(1,044.46)</b>	<b>-</b>	<b>4945.91</b>

The accompanying notes form an integral part of the consolidated financial statements (refer note 2 to 52)

As per our report of even date attached

**For DELOITTE HASKINS & SELLS LLP**

*Chartered Accountants*

Firm's Registration No: 117366W/W-100018

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

**Accelya Solutions India Limited**

**CIN: L74140PN1986PLC041033**

**Joe Pretto**

*Partner*

Membership No: 77491

**John Johnston**

*Chairman*

DIN: 07258586

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*Managing Director*

DIN: 09192936

Chennai

**Ninad Umranikar**

*Company Secretary*

Membership No: ACS14201

Pune

Place : Mumbai

Date : 5 August 2021

Date : 5 August 2021



## Notes to the consolidated financial statements (Continued)

### 1 Corporate information

Accelya Solutions India Limited (“Accelya” or “the Company”) is a software solutions provider to the global Airline and Travel industry.

Accelya delivers world class software products, managed processes, technology and hosting services. Accelya’s industry solutions are driven by active partnerships with industry bodies and customers, and significant domain knowledge. Its customised approach in deploying these solutions supports clients with best fit solutions to match their requirements. The Company is a public limited company and domiciled in India. The address of the registered office is Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune, Maharashtra, India, 411037 The board of directors approved the consolidated financial statements for the year ended 30 June 2021 and authorized for issue on 05 August 2021.

The list of entities considered in these consolidated financial statements as at 30 June 2021 with percentage holding is summarized below:

Entities	Country of incorporation and other particulars	Percentage of holding by the immediate parent (%)	Year of consolidation
<b>Subsidiaries</b>			
Accelya Solutions Americas Inc., USA	A Subsidiary of Accelya incorporated under the laws of United States of America	100%	1998-99
Accelya Solutions UK Limited, UK	A Subsidiary of Accelya incorporated under the laws of United Kingdom	100%	2007-08
<b>Controlled Trust</b>			
Kale Consultants Limited Employees Welfare Trust	An employee welfare trust incorporated under the laws of India	NA	2015-16

### 2 Significant accounting policies

#### a) *Statement of compliance with Ind AS*

These consolidated financial statements (‘the financial statements’) have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### b) *Basis of preparation*

The financial statements are presented in Indian Rupees (₹) which is also the functional currency of the Company. All amounts are rounded off to the nearest lakhs, unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities including defined benefit plans - plan assets measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities are classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months. Fair value is the price that would be received to sell an asset or paid to transfer/ settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for leasing transactions that are within the scope

Notes to the consolidated financial statements (*Continued*)

of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value and value in use in Ind AS 36.

**c) *Historical cost convention***

The consolidated financial statements have been prepared on a historical cost basis, except for following item:

Item	Measurement basis
Certain financial assets and liabilities	Fair value
Contingent consideration in business combination	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligation

**d) *Use of estimates and judgements***

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, (including contingent liabilities) income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following note:

- (i) Estimation of useful life and residual values of property, plant and equipment (refer note 2(f))  
The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence.
- (ii) Estimation of defined benefit obligation (refer note 2(n)(ii))  
Cost of defined benefit plan and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes determination of discount rates, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its nature, a defined benefit is highly sensitive to change in these assumptions. All assumptions are reviewed at each Balance Sheet date.
- (iii) Impairment of trade receivables (refer note 2(l)(l))  
The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e. expected cash shortfall.  
The impairment losses and reversals are recognised in Statement of Profit and Loss.
- (iv) Provisions and contingent liabilities (refer note 2(q))  
A provision is recognized when the Company has a present value obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (v) Impairment of goodwill  
The Company estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts.



## Notes to the consolidated financial statements (*Continued*)

(vi) Revenue Recognition

Revenue for fixed-price contract is recognised using percentage-of completion method. The Company uses judgement to estimate the future efforts-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

(vii) Leases

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

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

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

e) ***Basis of consolidation***

i. ***Business combination***

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired, liabilities assumed and contingent liabilities that meet the condition for recognition are recognised at fair values on their acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

ii. ***Subsidiaries***

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. ***Transactions eliminated on consolidation***

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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

Property, plant and equipment are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/amortisation and impairment loss.

**Notes to the consolidated financial statements (Continued)**

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

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

An asset's carrying amount is written down immediately to its recoverable amount of the assets or CGU, as applicable, if the carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the straight-line method over the estimated useful life of the respective asset. These lives are in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Furniture and Fixtures, Computer Equipment and Vehicles in which case the life of the assets has been assessed and is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support. Depreciation/ amortization for the year is recognised in the Statement of Profit and Loss. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The useful life of the assets considered for depreciation is summarized below:

Building	30 years
Plant and machinery and computer equipment	3 to 6 years
Furniture and fixtures, Equipment and other assets	4 to 6 years
Vehicles	5 years
Leasehold improvements	To be amortized over the lesser of the period of lease and the useful life of the asset

The useful lives and residual values are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

**Subsequent expenditure**

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

**g) Goodwill and other Intangible assets****i. Goodwill**

For measurement of goodwill that arises on a business combination (see note 2(e) (i)). Subsequent measurement is at cost less any accumulated impairment losses.

**ii. Other Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and accumulated impairment loss, if any. Amortization is recognised on a straight-line basis over their estimated useful lives.

Estimated useful life of Software acquired and internally developed has been taken at 3 and 5 years, respectively.

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

Subsequent expenditure is capitalised only when it increases the future economic benefits from



## Notes to the consolidated financial statements (*Continued*)

the specific asset to which it relates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

### iii. **Product Development Cost**

Product development costs are incurred on developing/upgrading the software products to launch new service modules and functionality to provide an enhanced suite of services. These development costs are capitalized and recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit i.e., the estimated useful life. Amortization is recognized in the Statement of Profit and Loss.

### h) **Impairment of non-financial asset**

Property, plant and equipment and definite life intangible assets are reviewed at each reporting date to determine if there is any indication of impairment. Infinite life intangible assets are mandatorily tested annually or at interim period end for impairment, for which the asset's recoverable amount is estimated. For assets in respect of which any such indication exists, an impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or "CGU") that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss recognised for goodwill is not subsequently reversed.

## Notes to the consolidated financial statements (*Continued*)

### i) *Revenue recognition*

Revenue is derived primarily from transaction processing, managed processes, technology and hosting services, licensing of software products, related implementation and maintenance services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, and the parties to contract are committed to perform their respective obligations. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

- Revenues from transaction processing service i.e. airline ticket and coupon processing charges is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenue.
- Revenue from sale of user licenses where the customer obtains a 'right to use' the licenses is recognized at the time when license is made available to the customer, except in case of multiple element contracts which require significant implementation services and customization, the entire arrangement is considered to be a significant performance obligation and revenue is recognised using the percentage of completion method as the implementation and customization is performed.

In the case of significant implementation and customisation services provided to clients, those are analysed on a case-by-case basis to determine if a separate performance obligation exists.

- Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised based on percentage of completion method considering the actual time spent on the contract to the total estimate time to complete the contract.
- Revenue related to fixed price maintenance and support services contracts is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Revenue related to client training and other services are recognized as the related services are performed.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts where the rights are conditional on something other than passage of time. Contract are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.



**Notes to the consolidated financial statements (Continued)**

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change.

In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers primary by geographical market and service lines.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the right to receive dividend is established.

Dividend is recognised in profit or loss only when the right to receive payment is established.

**j) Leases****Policy applicable with effect from 1 July 2019****The Company as a lessee**

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

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

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the

**Notes to the consolidated financial statements (Continued)**

lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

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

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

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

**Transition to Ind AS 116**

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

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

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

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

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

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

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



## Notes to the consolidated financial statements (*Continued*)

### k) **Foreign currency transactions and balances**

#### i. **Foreign currency Transactions and Balances**

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

#### **Translation of foreign operations**

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements, branches) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rate at the date of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

### l) **Financial Instruments:**

#### i. **Financial Assets:**

##### **Classification**

On initial recognition the Company classifies financial assets as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### **Initial recognition and measurement**

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

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

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss.

**Notes to the consolidated financial statements (Continued)**

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Equity investments**

All equity investments other than investments in subsidiaries are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

The Company has elected to continue with the carrying value of all its equity investments as recognized in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

**Derecognition**

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

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

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- ii) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**I. Financial Liabilities****Classification**

The Company classifies all financial liabilities as measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, and payables).

**Notes to the consolidated financial statements (Continued)**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments**

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**m) Cash and cash equivalent**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value

**n) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation

Notes to the consolidated financial statements (*Continued*)

technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

**o) Employee benefit**

**i. Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee service is recognised as an expense at an undiscounted amount in the Statement of Profit and Loss as the related service is rendered by employees.

**ii. Post-employment benefits**

**Defined Contribution Plan**

Contributions to defined contribution schemes such as employee provident fund, employees' state insurance, labour welfare fund, etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

**Defined Benefit Plan**

The Company's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognized in other comprehensive income.

Defined benefit costs are categorised as follows:

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

**iii. Compensated absences**

Provision for compensated absences cost has been made based on actuarial valuation by an independent actuary at balance sheet date.

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected

**Notes to the consolidated financial statements (Continued)**

cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

**p) Income taxes**

Income-tax expense comprises current tax and deferred tax charge or credit. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

**Current taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

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

**Deferred taxes**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax is not recognised for temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to deferred tax assets when they are realised or deferred tax liabilities when they are settled, using tax rates enacted or substantively enacted at the reporting date.

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

**q) Earnings per share ('EPS')**

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises of weighted average number of shares considered for deriving basic earning per share, and also the weighted average number of equity shares which may be issued on conversion of all dilutive potential shares, unless the results would be anti – dilutive.

**r) Provisions and contingent liabilities**

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Notes to the consolidated financial statements (Continued)**

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).

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company and makes strategic decisions. The company operates in one reportable business segment i.e. travel and transportation vertical.

**t) Investments**

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

**u) Government grants**

Government grants are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant will be received.

**v) Going concern**

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

**w) Recent pronouncements**

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 III of Schedule III and are applicable from 1 April 2021 (1 July 2021 for the Company). The Company is evaluating the effect of the amendments on its financial statements.

On 18 June 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Companies (Indian Accounting Standards) Rules, 2015. The Company is evaluating the effect of the amendments on its financial statements.





## Notes to the consolidated financial statements (Continued)

## 3 Property, plant and equipment

₹ lakhs

	Building (refer footnote below)	Plant and machinery and computer equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Total
<b>At cost</b>						
<b>Gross carrying amount</b>						
As at 1 July 2019	632.59	5,568.59	688.83	58.66	245.31	7,193.98
Additions during the year	-	1,105.70	517.00	-	1,806.34	3,429.04
Deletions/ disposals	-	341.39	146.00	13.81	96.67	597.87
Translation	-	3.38	1.64	-	-	5.02
<b>As at 30 June 2020</b>	<b>632.59</b>	<b>6,336.28</b>	<b>1,061.47</b>	<b>44.85</b>	<b>1,954.98</b>	<b>10,030.17</b>
Additions during the year	-	380.08	69.76	-	528.04	977.88
Deletions/ disposals	-	152.03	203.38	26.46	-	381.87
Translation	-	(0.58)	(0.26)	-	-	(0.84)
<b>As at 30 June 2021</b>	<b>632.59</b>	<b>6,563.75</b>	<b>927.59</b>	<b>18.39</b>	<b>2,483.02</b>	<b>10,625.34</b>
<b>Accumulated depreciation</b>						
As at 1 July 2019	430.48	3,915.41	614.17	51.12	230.93	5,242.11
Charge for the year	21.09	959.89	103.90	5.29	233.09	1,323.26
Deletions/ disposals	-	339.73	139.91	13.81	96.67	590.12
Translation	-	3.05	1.64	-	-	4.69
<b>As at 30 June 2020</b>	<b>451.57</b>	<b>4,538.62</b>	<b>579.80</b>	<b>42.60</b>	<b>367.35</b>	<b>5,979.94</b>
Charge for the year	21.09	914.08	125.90	2.25	482.16	1,545.48
Deletions/ disposals	-	147.21	197.23	26.46	-	370.90
Translation	-	(0.08)	(0.65)	-	-	(0.73)
<b>As at 30 June 2021</b>	<b>472.66</b>	<b>5,305.41</b>	<b>507.82</b>	<b>18.39</b>	<b>849.51</b>	<b>7,153.79</b>
<b>Net carrying amount</b>						
<b>As at 30 June 2020</b>	<b>181.02</b>	<b>1,797.66</b>	<b>481.67</b>	<b>2.25</b>	<b>1,587.63</b>	<b>4,050.23</b>
<b>As at 30 June 2021</b>	<b>159.93</b>	<b>1,258.34</b>	<b>419.77</b>	<b>-</b>	<b>1,633.51</b>	<b>3,471.55</b>

Footnote : Mortgaged in favour of State Bank of India for working capital facilities.

## 3.1 Capital work in progress

	₹ lakhs
<b>As at 1 July 2019</b>	79.94
Additions	466.07
Assets capitalisation during the year	(79.94)
<b>As at 30 June 2020</b>	<b>466.07</b>
Additions	961.36
Assets capitalisation during the year	(574.06)
<b>As at 30 June 2021</b>	<b>853.37</b>

## Notes to the consolidated financial statements (Continued)

## 4 Other intangible assets

₹ lakhs

	Internally developed software	Acquired software	Total
<b>At cost</b>			
<b>Gross carrying amount</b>			
As at 1 July 2019	5,991.35	3,690.90	9,682.25
Purchase/ Additions from internal development	837.68	314.15	1,151.83
Deletions/ disposals	-	-	-
<b>As at 30 June 2020</b>	<b>6,829.03</b>	<b>4,005.05</b>	<b>10,834.08</b>
Purchase/ Additions from internal development	980.14	9.36	989.50
Deletions/ disposals	-	-	-
<b>As at 30 June 2021</b>	<b>7,809.17</b>	<b>4,014.41</b>	<b>11,823.58</b>
<b>Accumulated amortisation</b>			
As at 1 July 2019	3,881.88	3,477.05	7,358.93
Charge for the year	540.01	165.47	705.48
Deletions/ disposals	-	-	-
<b>As at 30 June 2020</b>	<b>4,421.89</b>	<b>3,642.52</b>	<b>8,064.41</b>
Charge for the year	685.02	173.10	858.12
Deletions/ disposals	-	-	-
<b>As at 30 June 2021</b>	<b>5,106.91</b>	<b>3,815.62</b>	<b>8,922.53</b>
<b>Net carrying amount</b>			
<b>As at 30 June 2020</b>	<b>2,407.14</b>	<b>362.53</b>	<b>2,769.67</b>
<b>As at 30 June 2021</b>	<b>2,702.26</b>	<b>198.79</b>	<b>2,901.05</b>

## 4.1 Intangible assets under development

	₹ lakhs
As at 1 July 2019	17.60
Additions	922.72
Capitalisation during the year	(837.68)
<b>As at 30 June 2020</b>	<b>102.64</b>
Additions	893.91
Capitalisation during the year	(980.14)
<b>As at 30 June 2021</b>	<b>16.41</b>

The estimated amortisation for the year subsequent to 30 June 2021 is as follows:

	Amortisation expenses ₹ lakhs
<b>Year ending 30th June</b>	
2021	941.53
2022	870.34
2023	575.65
2024	351.92
2025	161.61
<b>Total</b>	<b>2,901.05</b>

Notes to the consolidated financial statements (*Continued*)

## 5 Non-current investments

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<i>Investments in Shares of Co-operative Banks carried at fair value through profit or loss</i>		
<b>Rupee Co-operative Bank Limited (unquoted)</b>		
Nil (30 June 2020: 5,000 equity shares of ₹ 10 each fully paid up)	-	0.50
<b>Saraswat Co-operative Bank Limited (unquoted)</b>		
1,000 (30 June 2020: 1,000) equity shares of ₹ 10 each fully paid up	0.10	0.10
	<b>0.10</b>	<b>0.60</b>
All units are in absolute numbers		
Aggregate carrying amount of unquoted investments	<b>0.10</b>	0.60

6 Loans - non current  
(Unsecured, considered good)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Lease deposits - Measured at amortised cost	295.74	455.63
	<b>295.74</b>	<b>455.63</b>

## 7 Other non-current financial assets

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Margin money deposits	3.74	8.69
Interest accrued on bank deposits	0.69	0.56
Derivative asset - forward contracts	-	13.50
Other deposits	100.35	103.48
	<b>104.78</b>	<b>126.23</b>

**Margin money deposits**

Margin money deposits represents deposits with banks for issue of bank guarantees to various authorities amounting to ₹ 3.74 lakhs (30 June 2020: ₹ 8.69 lakhs) which are due to mature after twelve months of the reporting date.

## 8 Income tax assets (net)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Advance income-tax (net of provision for tax of ₹ 688.25 lakhs, 30 June 2020: ₹ 5,350.10 lakhs)	102.89	265.86
	<b>102.89</b>	<b>265.86</b>

Notes to the consolidated financial statements (*Continued*)

9 Deferred tax assets (net)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Deferred tax assets</b>		
Provision for compensated absences	177.57	145.66
Provision for doubtful debts	57.47	70.55
Difference between tax and book value of Property, plant and equipment	191.57	95.09
Mark to market loss on derivative instruments	13.05	99.99
Lease liability (net of right-of-use asset)	268.21	262.47
Others	88.85	137.70
	<b>796.72</b>	<b>811.46</b>
<b>Deferred tax liabilities</b>		
Mark to market gain on derivative instruments	(7.16)	(8.21)
Others	(13.47)	(19.44)
	<b>(20.63)</b>	<b>(27.65)</b>
<b>Total</b>	<b>776.09</b>	<b>783.81</b>

Note: For movement of deferred tax assets/ (liabilities), please refer note 34

10 Other non-current assets

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Considered good</b>		
Service tax refund receivable	254.69	254.69
Goods and Services tax refund receivable	-	193.51
Prepaid expenses	74.84	42.60
Discount in advance	269.00	51.35
<b>Considered doubtful</b>		
Service tax refund receivable	50.72	50.72
Less: provision	(50.72)	(50.72)
Goods and Services tax refund receivable	53.94	45.47
Less: provision	(53.94)	(45.47)
	<b>598.53</b>	<b>542.15</b>


 Notes to the consolidated financial statements (*Continued*)

## 11 Current investments

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Non-trade, unquoted investments</b>		
<i>Investments in Mutual Fund carried at fair value through profit or loss</i>		
<b>HDFC Mutual Fund - Regular Plan - Daily Reinvest</b>		
65,003.952 units of ₹ 1019.82 (30 June 2020: 33,858.799 units of ₹ 1019.82)	662.92	345.30
<b>ICICI Prudential Mutual Fund - Daily - Reinvest</b>		
760,048.699 units of ₹ 100.1482 (30 June 2020: 483,203.881 units of ₹ 100.1482)	761.18	483.92
<b>Aditya Birla Sun Life Mutual Fund - Daily - Regular Plan - Reinvest</b>		
857,041.123 units of ₹ 100.1950 (30 June 2020: 69,573.485 units of ₹ 100.1950)	858.71	69.71
<b>SBI Mutual Fund - Daily - Reinvest</b>		
Nil (30 June 2020: 11,699.353 units of ₹ 1,014.7569)	-	118.72
<b>ICICI Prudential Mutual Fund - Liquid Fund - Growth</b>		
121990.066 units of ₹ 305.4071 (30 June 2020: 154,835.535 units of ₹ 296.0196)	372.57	458.34
<b>Total</b>	<b>2,655.38</b>	<b>1,475.99</b>
All units are in absolute numbers		
Aggregate amount of unquoted investments	<b>2,655.38</b>	<b>1,475.99</b>

 12 Trade receivables  
(unsecured)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Trade receivables</b>		
a. Considered good	6,399.74	8,334.84
b. Credit impaired	495.21	513.02
Less: Loss allowance (refer note 37)	<u>(495.21)</u>	<u>(513.02)</u>
<b>Net trade receivables</b>	<b>6,399.74</b>	<b>8,334.84</b>
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties (refer note 39)	<b>2,810.70</b>	1,369.15
Loss allowance	-	-
<b>Net trade receivables</b>	<b>2,810.70</b>	<b>1,369.15</b>

Notes to the consolidated financial statements (*Continued*)

## 13 Cash and cash equivalents

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Cash and cash equivalents</b>		
Balances with banks		
On current accounts (refer footnote below)	2,328.31	1,812.88
In EEFC accounts	641.41	839.94
Bank deposit with maturity less than 3 months	1,830.00	1,225.00
	<b>4,799.72</b>	<b>3,877.82</b>

Balances with banks in current accounts include ₹ 21.09 lakhs and ₹ 9.99 lakhs as at 30 June 2021 and 30 June 2020 respectively, pertaining to trusts held for specified purposes.

## 14 Other balances with banks

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Margin money deposits	-	43.60
Unclaimed dividend *	274.10	377.28
Bank deposit with maturity more than 3 months but less than 12 months	0.43	1,750.41
	<b>274.53</b>	<b>2,171.29</b>

\*The Company can utilize this balance only towards settlement of unclaimed dividend.

**Margin money deposits**

Margin money deposits represents deposits with banks for issue of bank guarantees to various authorities amounting to ₹ Nil (30 June 2020: ₹ 43.60 lakhs) which are due to mature within twelve months of the reporting date.

## 15 Loans

*(Unsecured, considered good)*

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Lease deposits - Measured at amortised cost	8.43	19.36
	<b>8.43</b>	<b>19.36</b>

## 16 Other current financial assets

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Deposits	4.56	40.27
Interest accrued on bank deposits	5.32	10.75
Accrued service export incentive	617.24	617.24
Derivative asset - forward contracts	28.44	19.14
	<b>655.56</b>	<b>687.40</b>



## Notes to the consolidated financial statements (Continued)

**17 Income tax assets (net)**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Advance income-tax (net of provision for tax of ₹ 193.66 lakhs, 30 June 2020: ₹ 535.87 lakhs)	8.77	16.52
	<b>8.77</b>	<b>16.52</b>

**18 Other current assets**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<i>Considered good</i>		
Indirect taxes recoverable	533.39	549.59
Goods and Services tax refund receivable	312.96	890.78
Contract asset	1,763.28	1,090.60
Advances to suppliers	14.23	85.42
Employee advances	3.60	28.86
Prepaid expenses	772.63	633.30
Discount in advance	77.60	39.86
<i>Considered doubtful</i>		
Indirect taxes recoverable	25.17	55.04
Less: provision	(25.17)	(55.04)
Goods and Services tax refund receivable	16.47	27.12
Less: provision	(16.47)	(27.12)
	<b>3,477.69</b>	<b>3,318.41</b>

**19 Equity share capital**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Authorised share capital</b>		
20,200,000 (30 June 2020: 20,200,000) equity shares of ₹ 10 each	<b>2,020.00</b>	2,020.00
<b>Issued, subscribed and paid-up share capital</b>		
14,926,261 (30 June 2020: 14,926,261) equity shares of ₹ 10 each fully paid up	1,492.63	1,492.63
Forfeited shares*	0.06	0.06
<b>Total issued, subscribed and paid-up share capital</b>	<b>1,492.69</b>	<b>1,492.69</b>

\* Shares forfeited on 23 October 2003

## Notes to the consolidated financial statements (Continued)

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

## Equity shares

	30 June 2021		30 June 2020	
	Number of shares	₹ lakhs	Number of shares	₹ lakhs
At the beginning and end of the year	14,926,261	1,492.63	14,926,261	1,492.63

## b. Rights, preference and restriction attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) is in proportion to its share of the paid-up equity capital of the Company. Voting right cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## c. Details of equity shares held by the holding Company

	30 June 2021	30 June 2020
	₹	₹
Accelya Holding World S.L.U 11,143,295 (30 June 2020: 11,143,295) equity shares of ₹ 10 each fully paid	1,114.33	1,114.33

## d. Details of equity shares held by each shareholder holding more than 5% shares

	30 June 2021		30 June 2020	
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares
Equity shares of ₹ 10 each fully paid Accelya Holding World S.L.U	11,143,295	74.66	11,143,295	74.66





## Notes to the consolidated financial statements (Continued)

## 20 Other equity

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Reserves and surplus</b>		
Capital redemption reserve	95.38	95.38
Securities premium	3,169.84	3,169.84
General reserve	2,369.53	2,369.53
Translation reserve	516.87	192.28
Retained earnings	16,212.19	17,155.79
	<b>22,363.81</b>	<b>22,982.82</b>
<b>(i) Capital redemption reserve</b>		
Balance at beginning of the year and end of the year	95.38	95.38
<b>(ii) Securities premium</b>		
Balance at beginning of the year and end of the year	3,169.84	3,169.84
<b>(iii) General reserve</b>		
Balance at beginning of the year and end of the year	2,369.53	2,369.53
<b>(iv) Translation reserve</b>		
Balance at beginning of the year	192.28	(161.05)
Add: Exchange differences on translation of foreign operations	324.59	353.33
Balance at end of the year	516.87	192.28
<b>(v) Retained earnings</b>		
Balance at beginning of the year	17,155.79	12,789.72
Add: Net profit for the year	4,220.10	8,680.95
Items that will not be reclassified to profit or loss:		
- Remeasurement of defined benefit obligation	80.84	(73.87)
- Income tax relating to above item	(20.35)	18.59
Less: Appropriations		
Dividend on equity shares	5,224.19	3,731.57
Dividend distribution tax (net of dividend distribution tax credit)	-	528.03
Total appropriations	5,224.19	4,259.60
<b>Balance at end of the year</b>	<b>16,212.19</b>	<b>17,155.79</b>
<b>Total reserve and surplus</b>	<b>22,363.81</b>	<b>22,982.82</b>

## 21 Other non-current financial liabilities

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Derivative liability - forward contracts	-	86.80
Deposits received	1.65	4.65
	<b>1.65</b>	<b>91.45</b>

Notes to the consolidated financial statements (Continued)

**22 Non-current provisions**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Provision for employee benefits		
- Compensated absences (refer note 35)	482.44	389.47
	<b>482.44</b>	<b>389.47</b>

**23 Trade payables**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
- Total outstanding dues of micro enterprises and small enterprises (refer note 43)	17.13	12.35
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,738.82	3,338.75
	<b>1,755.95</b>	<b>3,351.10</b>
Total trade payables from related parties (refer note 39)	<b>1,087.48</b>	<b>2,187.77</b>

**24 Other current financial liabilities**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Creditors for capital goods	772.80	373.45
Unclaimed dividends (refer footnote below)	274.10	377.28
Provision for salaries and incentives	1,050.08	946.50
Derivative liability - forward contracts	51.83	310.47
	<b>2,148.81</b>	<b>2,007.70</b>

During the year, unclaimed dividend of ₹ 115.51 lakhs was transferred to Investor Education and Protection Fund.

**25 Current provisions**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Provision for employee benefits		
- Compensated absences (refer note 35)	232.57	209.78
- Gratuity (refer note 35)	152.23	317.06
Provision for claims	58.56	206.69
	<b>443.36</b>	<b>733.53</b>

Notes to the consolidated financial statements (*Continued*)

## 26 Income tax liabilities (net)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Provision for income tax (net of advance tax ₹ 10,248.26 lakhs, 30 June 2020: ₹ 9,768.01 lakhs)	297.44	60.35
	<b>297.44</b>	<b>60.35</b>

## 27 Other current liabilities

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Advances from customers	-	9.10
Statutory dues payable	371.99	178.28
	<b>371.99</b>	<b>187.38</b>

## 28 Revenue from operations

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Sale of services	28,992.30	39,291.28
Other operating revenue	44.28	1,911.54
	<b>29,036.58</b>	<b>41,202.82</b>

## Disaggregate Revenue Information

For disaggregation of revenue by geography, please refer note 38 - Segment reporting.

## Disaggregation of revenue by service lines

Service lines	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Finance Solutions	22,073.00	30,418.81
Commercial Solutions	1,256.99	1,003.09
Industry & Audit Solutions	5,308.50	7,209.64
Cargo & Logistics	353.81	659.74
<b>Total</b>	<b>28,992.30</b>	<b>39,291.28</b>

## Remaining performance obligations

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is approx. ₹ 3,419.54 lakhs (30 June 2020: ₹ 5,539.37 lakhs) out of which approx. 52.52% (30 June 2020: approx. 53%) is expected to be recognised as revenue in the next year and the balance thereafter.

**Notes to the consolidated financial statements (Continued)****Contract asset and liabilities**

During the year ended 30 June 2021, the Company recognized revenue of ₹ 820.62 lakhs out of opening gross deferred revenue of ₹ 1,276.58 lakhs.

During the year ended 30 June 2021, ₹ 1,090.60 lakhs of unbilled revenue (contract assets) which had an amount of ₹ 1,090.60 lakhs as at 01 July 2020, has been billed on completion of milestones and services.

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

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Contracted price	28,992.30	39,293.10
Reductions towards variable consideration components	-	1.82
<b>Revenue recognised</b>	<b>28,992.30</b>	<b>39,291.28</b>

The reduction towards variable consideration comprises of volume discounts.

**29 Other income**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Foreign exchange gain, including gain on forward contracts (net)	375.36	-
Credit balances written back	90.10	200.83
Dividend from mutual funds	91.38	71.19
Gain on fair valuation of Investments	18.22	24.38
Profit on sale of property, plant and equipment, net	7.19	29.07
Interest income on deposit with banks	63.19	29.57
Interest income others	64.95	49.82
Miscellaneous income	356.53	98.33
	<b>1,066.92</b>	<b>503.19</b>

**30 Employee benefits expense**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Salaries, wages and bonus	11,968.94	13,110.56
Contribution to Provident fund and Gratuity fund (refer note 35)	508.28	554.96
Staff welfare expenses	371.42	540.22
Less: Product development cost capitalised	(857.16)	(855.93)
	<b>11,991.48</b>	<b>13,349.81</b>



## Notes to the consolidated financial statements (Continued)

## 31 Depreciation and amortisation expense

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Depreciation on property, plant and equipment (refer note 3)	1,545.48	1,323.26
Depreciation on right-of-use assets (refer note 36)	994.82	1,215.91
Amortisation on other intangible assets (refer note 4)	858.12	705.48
	<b>3,398.42</b>	<b>3,244.65</b>

## 32 Other expenses

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Advertisement and sales promotion	873.71	1,054.85
Payments to auditors (refer footnote below)	130.22	84.38
Communication and connectivity charges	519.77	556.99
Director's commission	4.00	3.00
Director's sitting and committee fees	24.60	23.70
Contribution to corporate social responsibility (refer note 44)	277.20	291.00
Insurance	71.15	72.60
Legal and professional fees	185.60	455.19
Management fees	1,107.11	1,276.86
Foreign exchange loss, including loss on forward contracts (net)	-	419.23
Power, fuel and water charges	201.64	309.81
(Reversal)/ Provision for doubtful debts	(21.44)	376.91
Bad debts written off	64.76	-
Write off of unbilled receivables	9.34	459.83
Rates and taxes	21.89	51.73
Withholding taxes written off	479.05	-
Rent (refer note 36)	118.24	316.40
Repairs and maintenance :		
- Machinery	234.09	217.06
- Others	185.33	161.43
Software and maintenance	2,105.47	2,760.19
Technical consultants charges	1,655.28	2,534.53
Travelling and conveyance	25.46	630.24
Miscellaneous expenses	255.04	533.68
Less: Product development cost capitalised	(36.75)	(66.39)
	<b>8,490.76</b>	<b>12,523.22</b>
<b>Payment to auditors*</b>		
- For audit	58.10	70.00
- For taxation matters #	69.81	-
- For other services	1.70	9.00
- For reimbursement of expenses	0.61	5.38
	<b>130.22</b>	<b>84.38</b>

\* Comparative amounts comprise of expenses related to erstwhile auditor.

# Comparative not presented as Deloitte Haskins & Sells LLP was not the auditor.

## Notes to the consolidated financial statements (Continued)

**33 Earning per equity share (EPS)**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Profit after tax attributable to equity shareholders (A)	4,220.10	8,680.95
Number of equity shares at the beginning of the year	14,926,261	14,926,261
Number of equity shares outstanding at the end of the year	14,926,261	14,926,261
Weighted average number of equity shares outstanding during the year (B)	14,926,261	14,926,261
<b>Basic and diluted EPS:</b>		
Basic earnings per share (A / B)	28.27	58.16
Diluted earnings per share (A / B)	28.27	58.16
Face value per share (₹)	10.00	10.00

**34 Income taxes**

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>A. Amounts recognised in statement of profit or loss</b>		
<b>Current tax</b>		
a) Current tax	1,568.64	3,130.17
b) Changes in estimates related to prior years ##	1.42	478.25
<b>Deferred tax:</b>		
Attributable to:		
c) Origination and reversal of temporary difference	(12.63)	(255.73)
	<u>1,557.43</u>	<u>3,352.69</u>

## Changes in estimates related to prior years in current year is on account of additional tax provision made for FY 2019-20.  
Changes in estimates related to prior years in previous year is on account of additional tax provision made for FY 2018-19.

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>B. Income tax recognised in other comprehensive income</b>		
	(20.35)	18.59
<b>C. Reconciliation of effective tax rate</b>		
Profit before tax	5,777.53	12,033.63
Tax Rate	25.168%	25.168%
Tax using the Company's domestic tax rate	1,454.09	2,734.50
Changes in estimates related to prior years	1.42	478.25
Tax exempt income - income eligible for deduction	(198.11)	(16.96)
Non-deductible expenses	92.18	36.61
Income chargeable at lower rate of tax	1.86	(78.29)
Differences in tax rates in foreign jurisdictions	213.80	291.67
Others	(7.81)	(93.09)
Effective tax charge	<u>1,557.43</u>	<u>3,352.69</u>
Current tax	1,568.64	3,130.17
Current tax relating to previous years	1.42	478.25
Deferred tax	(12.63)	(255.73)
Tax expense reported in the statement of comprehensive income	<u>1,557.43</u>	<u>3,352.69</u>



## Notes to the consolidated financial statements (Continued)

**D. Recognised deferred tax assets and liabilities**
**Movement in temporary differences:**

(₹ in lakhs)

	Balance as at 1 July 2019	Recognised in OCI during 2019-20	Recognised in profit or loss during 2019-20	Balance as at 30 June 2020	Recognised in OCI during 2020-21	Recognised in profit or loss during 2020- 21 ###	Balance as at 30 June 2021
<b>Deferred tax assets arising on account of:</b>							
Provision for compensated absences	153.74	-	(8.08)	145.66	-	31.91	177.57
Allowance for doubtful debts	43.65	-	26.90	70.55	-	(13.08)	57.47
Difference between tax and book value of Property, plant and equipment	84.46	-	10.64	95.10	-	96.47	191.57
Mark to market loss on derivative instruments	-	-	99.99	99.99	-	(86.94)	13.05
Deferred Rent	175.27	-	(175.27)	-	-	-	-
Lease liability (net of right-of-use asset)	-	-	262.47	262.47	-	5.74	268.21
Others	171.98	18.59	(52.87)	137.70	(20.35)	(28.50)	88.85
<b>Less: Deferred tax liability arising on account of:</b>							
Mark to market gain on derivative instruments	(73.87)	-	65.66	(8.21)	-	1.05	(7.16)
Others	(45.75)	-	26.30	(19.45)	-	5.98	(13.47)
<b>Total</b>	<b>509.48</b>	<b>18.59</b>	<b>255.74</b>	<b>783.81</b>	<b>(20.35)</b>	<b>12.63</b>	<b>776.09</b>

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

**E. Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom. This is long term capital loss which can only be set-off against future long term capital gain, which cannot be predicted.

(₹ lakhs)

	30 June 2021		30 June 2020	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (Long term capital loss)	1,886.39	431.61	1,925.59	440.57
<b>Total</b>	<b>1,886.39</b>	<b>431.61</b>	<b>1,925.59</b>	<b>440.57</b>

**F. Tax losses carried forward**

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

(₹ lakhs)

	30 June 2021	Expiry date	30 June 2020	Expiry date
Long term capital loss - FY 2012-13 (It is time barred)	-	-	39.20	2020-21
Long term capital loss - FY 2015-16	1,886.39	2023-24	1,886.39	2023-24

## Notes to the consolidated financial statements (*Continued*)

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### 35 Employee benefits

#### Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to ₹ 350.04 lakhs (30 June 2020: ₹ 390.92 lakhs).

#### Defined benefit plan

The Company provides for gratuity, a defined benefit retirement plan. The present value of the defined benefit liability, and the related current service cost and past service cost, are measured using the projected unit. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). LIC administers the plan and determines the contribution required to be paid by the Company. No other retirement benefits are provided to these employees.

#### Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

#### 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).

#### 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.

#### 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.





## Notes to the consolidated financial statements (Continued)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>Changes in present value of obligations</b>		
<b>a) Liability recognised in the balance sheet</b>		
i) Present value of obligation		
Opening balance	1,299.47	1,074.72
Current service cost	121.17	128.60
Interest cost	68.82	74.85
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(6.60)	(7.39)
- change in financial assumptions	(63.38)	64.53
- experience variance (i.e. Actual experience vs assumptions)	11.94	21.33
Benefits paid	(212.07)	(57.17)
Closing balance (i)	<u>1,219.35</u>	<u>1,299.47</u>
ii) Fair value of plan assets		
Opening balance	982.41	877.29
Investment Income	52.03	61.10
Employer's contributions	221.95	96.59
Return on plan assets	22.80	4.60
Benefits paid	(212.07)	(57.17)
Closing balance (ii)	<u>1,067.12</u>	<u>982.41</u>
<b>Net liability recognised in the balance sheet (i-ii)</b>	<b><u>152.23</u></b>	<b><u>317.06</u></b>
<b>b) Expenses recognised in statement of profit and loss</b>		
Current service cost	121.17	128.60
Net interest cost/ (income) on the net defined benefit liability/ (asset)	16.79	13.75
Expenses recognised in statement of profit and loss	<u>137.96</u>	<u>142.35</u>
<b>c) Expenses recognised in other comprehensive income</b>		
Actuarial (gain)/ loss on obligations		
- change in demographic assumptions	(6.60)	(7.39)
- change in financial assumptions	(63.38)	64.53
- experience variance (i.e. Actual experiences assumptions)	11.94	21.33
Return on plan assets	(22.80)	(4.60)
<b>Total</b>	<b><u>(80.84)</u></b>	<b><u>73.87</u></b>
<b>d) Break up of Plan assets</b>		
LIC of India - Insurer Managed Fund	100.00%	100.00%
<b>e) Maturity Profile of Defined Benefit Obligation</b>		
Expected cash flows over the next 5 years:		
Year 1	204.02	407.98
Year 2	159.97	119.88
Year 3	162.08	105.36
Year 4	158.64	99.73
Year 5	122.86	92.01

## Notes to the consolidated financial statements (Continued)

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
<b>f) Principal actuarial assumptions</b>		
Rate of discounting	6.30%	5.30%
Expected return on plan assets	6.30%	5.30%
	5.00%	0% for next year and 5% thereafter
Rate of increase in basic salary		Voluntary - 13% Involuntary - 17% for next year
Attrition rate	13.00%	5 years
Weighted average duration (based on discounted cashflows)	6 years	Indian Assured Lives Mortality (2012-14) ultimate
Mortality	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Normal retirement age	58 years	58 years

The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2021-22 will be ₹ 266.03 lakhs.

**Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, attrition rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ lakhs)

Particulars	30 June 2021		30 June 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,293.02	1,153.02	1,371.03	1,235.27
Salary Growth Rate (- / + 1%)	1,153.48	1,290.60	1,235.66	1,369.07
Attrition Rate (- / + 50%)	1,177.95	1,239.73	1,299.36	1,294.04
Mortality Rate (- / + 10%)	1,219.19	1,219.50	1,299.42	1,299.51

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

**Compensated absences**

Compensated absences as at balance sheet date, determined on the basis of actuarial valuation based on the 'Projected unit credit method' is as below:

	30 June 2021 ₹ lakhs	30 June 2020 ₹ lakhs
Current provisions (refer note 25)	232.57	209.78
Non-current provisions (refer note 22)	482.44	389.47
	<b>715.01</b>	<b>599.25</b>

The amount charged to the Statement of Profit and Loss is ₹ 215.63 lakhs (30 June 2020: ₹ 109.33 lakhs)



## Notes to the consolidated financial statements (Continued)

	Year ended 30 June 2021	Year ended 30 June 2020
<b>Principal actuarial assumptions</b>		
Rate of discounting	6.30%	5.30%
Rate of increase in salary cost to company	10.00%	0% for next year and 10% thereafter
Attrition rate	13.00%	Voluntary - 13% Involuntary - 17% for next year
Weighted average duration (based on discounted cashflows)	4 years	4 years
Mortality	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Normal retirement age	58 years	58 years

## 36 Leases

## Operating lease

The Company has entered into non cancellable operating leases for office premises. Effective 1 July 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective method. The Company has elected the practical expedients, which allows the Company not to reassess, its prior conclusions about lease identification, lease classification and initial direct costs. On transition, the adoption of the new standard resulted in recognition of Right-of-use asset of ₹ 5,113.34 lakhs and lease liability of ₹ 5,529.30 lakhs in the previous period.

Following are the changes in the carrying value of right of use assets for the year ended 30 June 2021:

Particulars	Leasehold premises ₹ lakhs
Balance as of 1 July 2019	5,118.80
Deletions of right-of-use assets	-
Depreciation charge for the year	(1,215.91)
Balance as of 1 July 2020	3,902.89
Additions of right-of-use assets	123.01
Deletions of right-of-use assets	(211.63)
Depreciation charge for the year	(994.82)
<b>Balance as of 30 June 2021</b>	<b>2,819.45</b>

The following is the break-up of current and non-current lease liabilities as at 30 June 2021:

Particulars	As at 30 June 2021 ₹ lakhs	As at 30 June 2020 ₹ lakhs
Current lease liabilities	981.29	958.48
Non-current lease liabilities	2,903.84	3,987.43
<b>Total</b>	<b>3,885.13</b>	<b>4,945.91</b>

**Notes to the consolidated financial statements (Continued)****Financial instruments – Fair values and risk management (Continued)**

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

The following is the movement in lease liabilities:

Particulars	As at 30 June 2021 ₹ lakhs
Balance as of 1 July 2019	5,537.07
Additions during the year	-
Deletions during the year	(5.21)
Finance cost accrued during the period	554.69
Payment of lease liabilities	(1,044.46)
Lease waiver	(96.18)
Balance as of 1 July 2020	4,945.91
Additions during the year	119.28
Deletions during the year	(211.63)
Finance cost accrued during the period	445.31
Payment of lease liabilities	(1,402.80)
Lease waiver	(10.94)
Balance as of 30 June 2021	<b>3,885.13</b>

**Amount recognized in Statement of Profit and Loss:**

Particulars	As at 30 June 2021 ₹ lakhs	As at 30 June 2020 ₹ lakhs
Interest on lease liabilities	445.31	554.69
Depreciation on right-of-use assets	994.82	1,215.91
<b>Total</b>	<b>1,440.13</b>	<b>1,770.60</b>

Rental expense recorded for short-term leases was ₹ 112.14 lakhs for the year ended 30 June 2021 (30 June 2020: ₹ 304.46 lakhs).

The total cash outflow for leases is ₹ 1,526.08 lakhs for the year ended 30 June 2020, including cash outflow of short-term leases (30 June 2020: ₹ 1,348.92 lakhs).

The Company has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods as at 30 June 2021 is ₹ 5,867.55 lakhs.

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



## Notes to the consolidated financial statements (Continued)

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

## 37 Financial instruments

## Financial instruments – Fair values and risk management

## A. Accounting classification and fair values

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

(₹ lakhs)

30 June 2021	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Investments in Shares of Co-operative Banks	5	0.10	-	-	0.10	-	-	0.10	0.10
Non current lease deposits	6	-	-	295.74	295.74	-	-	-	-
Other non-current financial assets	7	-	-	4.43	4.43	-	-	-	-
Other deposits	7	-	-	100.35	100.35	-	-	-	-
Current investments	11	2,655.38	-	-	2,655.38	2,655.38	-	-	2,655.38
Trade receivables	12	-	-	6,399.74	6,399.74	-	-	-	-
Unbilled receivables		-	-	838.41	838.41	-	-	-	-
Current lease deposits	15	-	-	8.43	8.43	-	-	-	-
Cash and cash equivalents	13	-	-	4,799.72	4,799.72	-	-	-	-
Other bank balances	14	-	-	274.53	274.53	-	-	-	-
Derivative financial assets - current	16	28.44	-	-	28.44	-	28.44	-	28.44
Other current financial assets	16	-	-	627.12	627.12	-	-	-	-
		<b>2,683.92</b>	<b>-</b>	<b>13,348.47</b>	<b>16,032.39</b>	<b>2,655.38</b>	<b>28.44</b>	<b>0.10</b>	<b>2,683.92</b>
<b>Financial liabilities</b>									
Lease Liability - non current #####		-	-	2,903.84	2,903.84	-	-	-	-
Other non-current financial liabilities	21	-	-	1.65	1.65	-	-	-	-
Trade payables	23	-	-	1,755.95	1,755.95	-	-	-	-
Lease Liability - current #####		-	-	981.29	981.29	-	-	-	-
Derivative financial liabilities – current	24	51.83	-	-	51.83	-	51.83	-	51.83
Other current financial liabilities	24	-	-	2,096.98	2,096.98	-	-	-	-
		<b>51.83</b>	<b>-</b>	<b>7,739.71</b>	<b>7,791.54</b>	<b>-</b>	<b>51.83</b>	<b>-</b>	<b>51.83</b>

##### Fair value measurement of lease liabilities is not required.

Notes to the consolidated financial statements (Continued)

Financial instruments – Fair values and risk management (Continued)

(₹ lakhs)

30 June 2020	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Investments in Shares of Co-operative Banks	5	0.60	-	-	0.60	-	-	0.60	0.60
Non current lease deposits	6	-	-	455.63	455.63	-	-	-	-
Derivative financial assets - non current	7	13.50	-	-	13.50	-	13.50	-	13.50
Other non-current financial assets	7	-	-	9.25	9.25	-	-	-	-
Other deposits	7	-	-	103.48	103.48	-	-	-	-
Mutual fund investments	11	1,475.99	-	-	1,475.99	1,475.99	-	-	1,475.99
Trade receivables	12	-	-	8,334.84	8,334.84	-	-	-	-
Unbilled receivables		-	-	1,190.57	1,190.57	-	-	-	-
Current lease deposits	15	-	-	19.36	19.36	-	-	-	-
Cash and cash equivalents	13	-	-	3,877.82	3,877.82	-	-	-	-
Other bank balances	14	-	-	2,171.29	2,171.29	-	-	-	-
Derivative financial assets - current	16	19.14	-	-	19.14	-	19.14	-	19.14
Other current financial assets	16	-	-	668.26	668.26	-	-	-	-
		<b>1,509.23</b>	<b>-</b>	<b>16,830.50</b>	<b>18,339.73</b>	<b>1,475.99</b>	<b>32.64</b>	<b>0.60</b>	<b>1,509.23</b>
<b>Financial assets</b>									
Lease Liability - non current #####		-	-	3,987.43	3,987.43	-	-	-	-
Derivative financial liabilities - non current	21	86.80	-	-	86.80	-	86.80	-	86.80
Other non-current financial liabilities	21	-	-	4.65	4.65	-	-	-	-
Trade payables	23	-	-	3,351.10	3,351.10	-	-	-	-
Lease Liability - current #####		-	-	958.48	958.48	-	-	-	-
Derivative financial liabilities – current	24	310.47	-	-	310.47	-	310.47	-	310.47
Other current financial liabilities	24	-	-	1,697.23	1,697.23	-	-	-	-
		<b>397.27</b>	<b>-</b>	<b>9,998.89</b>	<b>10,396.16</b>	<b>-</b>	<b>397.27</b>	<b>-</b>	<b>397.27</b>



## Notes to the consolidated financial statements (Continued)

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

#### B. Measurement of fair values

Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price/ declared NAV.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range. The carrying value of financial instruments measured at amortized cost approximates their fair value.

#### C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

##### i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

##### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, unbilled receivables and investment securities. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date:

	(₹ lakhs)	
	30 June 2021	30 June 2020
Investments	2,655.38	1,475.99
Loans	304.17	474.99
Trade receivables	6,399.74	8,334.84
Unbilled receivables	838.41	1,190.57
Cash and cash equivalents	4,799.72	3,877.82
Other bank balances	274.53	2,171.29
Other financial assets	760.34	813.63
	<b>16,032.29</b>	<b>18,339.13</b>

The Company does not expect any credit risk on the amount recoverable from related parties.

## Notes to the consolidated financial statements (Continued)

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

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Financial Assets are written off when there is no reasonable expectation of recovery from the customer.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	(₹ lakhs)	
	As at 30 June 2021	As at 30 June 2020
Neither past due nor impaired	-	-
Past due but not impaired	<b>3,917.48</b>	3,617.06
Past due 1–90 days	<b>1,434.77</b>	2,694.97
Past due 91–180 days	<b>301.21</b>	1,246.16
Past due 181–270 days	<b>103.09</b>	753.02
Past due 271–365 days	<b>326.94</b>	-
Past due more than 365 days	<b>316.25</b>	23.63
	<b>6,399.74</b>	<b>8,334.84</b>

**Expected credit loss assessment:**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given the critical nature of the services of the Company to its customers, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss as at 30 June, 2021 relates to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	(₹ lakhs)
	As at 30 June 2021
Balance as at 1 July 2019	<b>135.90</b>
Impairment loss recognised during the year	<b>377.12</b>
Amounts written off during year	-
<b>Balance as at 30 June 2020</b>	<b>513.02</b>
Impairment loss recognised during the year	<b>43.31</b>
Amounts written off during year	<b>(64.75)</b>
Effect of exchange differences	<b>3.63</b>
<b>Balance as at 30 June 2021</b>	<b>495.21</b>

Unbilled receivables is ₹ 838.41 lakhs and ₹ 1,190.57 lakhs as at 30 June 2021 and 30 June 2020 respectively. The Company's unbilled receivables generally ranges from 30 – 90 days.

One customer accounted individually for more than 10% of the accounts receivable for the year ended 30 June 2021 (30 June 2020: Two customers accounted for more than 10% of accounts receivable). Three customers accounted individually for more than 10% of the unbilled receivable




**Notes to the consolidated financial statements (Continued)**
**Financial instruments – Fair values and risk management (Continued)**

and contract asset for the year ended 30 June 2021 (30 June 2020: Two customers accounted for more than 10% of unbilled receivable and contract asset).

**Cash and cash equivalents and mutual funds**

The Company held cash and cash equivalents and mutual funds with credit worthy banks and financial institutions of ₹ 7,455.10 lakhs as at 30 June 2021 (30 June 2020: ₹ 5,353.81 lakhs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained non-fund based working capital lines from bank. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

**Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- \* all non derivative financial liabilities
- \* Derivative financial instruments for which the contractual maturities are essential for understanding the timing of the cash flows.

(₹ lakhs)

	Contractual cash flows				Total
	1 year or less	1-2 years	2-5 years	More than 5 years	
<b>As at 30 June 2021</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	1,755.95	-	-	-	1,755.95
Lease liability - non current	-	2,881.86	391.80	-	3,273.66
Lease liability - current	1,336.93	-	-	-	1,336.93
Other current financial liabilities	2,096.98	-	-	-	2,096.98
Other non-current financial liabilities	-	-	-	1.65	1.65
<b>Derivative financial liabilities</b>					
<b>Forward exchange contracts (gross settled)</b>					
- Outflow	(6,739.00)	-	-	-	(6,739.00)
- Inflow	6,687.17	-	-	-	6,687.17
<b>As at 30 June 2020</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	3,351.10	-	-	-	3,351.10
Lease liability - non current	-	1,388.72	3,319.74	-	4,708.46
Lease liability - current	1,476.29	-	-	-	1,476.29
Other current financial liabilities	1,697.23	-	-	-	1,697.23
Other non-current financial liabilities	-	-	-	4.65	4.65
<b>Derivative financial liabilities</b>					
<b>Forward exchange contracts (gross settled)</b>					
- Outflow	(9,831.68)	(2,646.64)	-	-	(12,478.32)
- Inflow	9,521.21	2,559.84	-	-	12,081.05

Notes to the consolidated financial statements (Continued)

iv. Market risk

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

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP and Euro, against the respective functional currencies of the Company and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

(₹ lakhs)

	EURO	GBP	USD	SGD	NZD	MXN
<b>As at 30 June 2021</b>						
Trade receivables	970.78	440.11	4,398.08	70.63	-	-
Unbilled receivables	428.30	220.91	141.87	8.87	-	-
EEFC accounts	264.91	97.23	279.27	-	-	-
Trade payables	556.95	44.49	86.75	-	-	-
<b>Net statement of financial position exposure</b>	<b>2,220.94</b>	<b>802.74</b>	<b>4,905.97</b>	<b>79.50</b>	-	-
Forward exchange contracts	978.94	319.52	3,279.04	-	-	-
<b>Net exposure</b>	<b>1,242.00</b>	<b>483.22</b>	<b>1,626.93</b>	<b>79.50</b>	-	-
<b>As at 30 June 2020</b>						
Trade receivables	688.23	947.07	3,019.60	155.16	-	-
Unbilled receivables	286.33	300.41	499.11	46.04	-	-
EEFC accounts	608.30	229.32	2.32	-	-	-
Trade payables	(1,215.96)	(70.61)	(362.19)	(28.65)	(5.21)	(27.13)
<b>Net statement of financial position exposure</b>	<b>366.90</b>	<b>1,406.19</b>	<b>3,158.84</b>	<b>172.55</b>	<b>(5.21)</b>	<b>(27.13)</b>
Forward exchange contracts	681.34	175.76	3,109.29	-	-	-
<b>Net exposure</b>	<b>(314.44)</b>	<b>1,230.43</b>	<b>49.55</b>	<b>172.55</b>	<b>(5.21)</b>	<b>(27.13)</b>

Sensitivity analysis

A 10% strengthening/ weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.



## Notes to the consolidated financial statements (Continued)

(₹ lakhs)

Currency	30 June 2021				30 June 2020			
	Profit or loss		Equity		Profit or loss		Equity	
	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening	Strengthening	Weakening
EUR	124.20	(124.20)	-	-	(31.44)	31.44	-	-
GBP	48.32	(48.32)	-	-	123.04	(123.04)	-	-
USD	162.69	(162.69)	-	-	4.96	(4.96)	-	-
SGD	7.95	(7.95)	-	-	17.26	(17.26)	-	-
NZD	-	-	-	-	(0.52)	0.52	-	-
MXN	-	-	-	-	(2.71)	2.71	-	-

(Note: The impact is indicated on the profit/ loss and equity before tax basis)

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no borrowings from banks and financial institutions. The Company has margin money deposit with bank at fixed interest rate. Any movement in the market interest rate is not expected to significantly impact the fair value of deposits.

**Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company has adequate cash and bank balances and has no debt. The company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

**38 Segmental reporting**

Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance as a single business segment namely travel and transportation vertical. The Company's CODM is Managing Director.

**Geographic segments**

Continents	Country
Asia Pacific	India, Australia, Bangladesh, China, Fiji, Hong Kong, Indonesia, Japan, Malaysia, Maldives, New Zealand, Philippines, Seychelles, Singapore, Sri Lanka, Sultanate of Brunei, Taiwan, Thailand, Vietnam and Afghanistan
Middle East and Africa	Bahrain, Casablanca, Kenya, Kuwait, Lebanon, Namibia, Rwanda, Saudi Arabia, Tanzania and UAE
Americas	Argentina, Brazil, Canada, Chile, Colombia, Colorado, Mexico and USA
Europe	France, Germany, Greece, Italy, Luxembourg, Malta, Poland, Portugal, Spain, Turkey and UK

## Notes to the consolidated financial statements (Continued)

## 39 Related party transactions (Continued)

## Segment revenues

## Continent wise geographical revenue and Non current assets

(₹ lakhs)

Continent	Revenue		Non-current assets	
	For the year ended 30 June 2021	For the year ended 30 June 2020	As at 30 June 2021	As at 30 June 2020
Asia Pacific	8,916.06	14,014.48	11,660.29	13,354.12
Middle East and Africa	4,220.26	5,654.56	-	-
Americas	9,281.35	12,336.56	275.55	107.95
Europe	6,574.63	7,285.68	3,294.55	2,964.71
<b>Total</b>	<b>28,992.30</b>	<b>39,291.28</b>	<b>15,230.39</b>	<b>16,426.78</b>

## Major customer:

One of the customers accounted for more than 10% of the revenue for the year ended 30 June 2021 (30 June 2020: None of the customers accounted for more than 10% of the total revenue)

## 39 Related party transactions

## A. Related party disclosures

Related parties where control exists	Name
Ultimate holding company	Accelya Group Topco Limited (formerly known as Aurora UK Topco Limited)
Intermediate Holding Company	Accelya Group Holdco Limited (formerly known as Aurora UK Holdco Limited)
Intermediate Holding Company	Accelya Group Midco 1 Limited (formerly known as Aurora UK Midco 1 Limited)
Intermediate Holding Company	Accelya Group Midco 2 Limited (formerly known as Aurora UK Midco 2 Limited)
Intermediate Holding Company	Aurora Lux Finco S.a.r.l.
Intermediate Holding Company	Accelya Group Bidco Limited (formerly known as Aurora UK Bidco Limited)
Intermediate Holding Company	Accelya Topco Limited
Intermediate Holding Company	Accelya Holdco Limited
Intermediate Holding Company	Accelya Finco Limited
Intermediate Holding Company	Accelya Midco Limited
Intermediate Holding Company	Accelya Bidco Limited
Holding company	Accelya Holding World S.L.U.
Fellow subsidiaries	Accelya World S.L.U.
	Accelya UK Limited
	Accelya France SAS
	Accelya America, S.A. de C.V.
	Accelya Portugal Unipessoal Ltda.
	Accelya Middle East FZE (formerly known as Mercator Solutions FZE)
	Accelya Services India Private Limited
	Farelogix Inc.
	Accelya US, Inc (formerly known as Revenue Management Systems)



## Notes to the consolidated financial statements (Continued)

Related parties where control exists	Name
Key management personnel	John Johnston - Chairman
	Neela Bhattacharjee - Managing Director (refer footnote 1 below)
	Shrimanikandan Ananthavaidhyanathan - Managing Director (refer footnote 2 below)
	Gurudas Shenoy - Chief Financial Officer (refer footnote 3 below)
	Uttamkumar Bhati - Chief Financial Officer (refer footnote 4 below)
	Ninad Umranikar - Company Secretary
Other related party	K.K. Nohria - Director (refer footnote 5 below)
	Sekhar Natarajan - Director
	Nani Javeri - Director
	Sangeeta Singh - Director
	Jose Maria Hurtado - Director (refer footnote 6 below)
	Amol Gupte - Director (refer footnote 7 below)

- 1) Retired with effect from 30 June 2021
- 2) Appointed with effect from 01 July 2021
- 3) Upto 14 February 2021
- 4) With effect from 15 February 2021
- 5) Retired with effect from 24 September 2019.
- 6) Appointed with effect from 27 November 2019.
- 7) Appointed with effect from 20 May 2021.

**B. Transactions with related parties**

(₹ lakhs)

Nature of transactions	Year ended	Ultimate holding company	Intermediate holding	Holding	Fellow subsidiaries	Other related parties	Key management personnel	Total
Services rendered by the Company	30 June 2021	-	-	648.75	7,368.63	-	-	8,017.38
	30 June 2020	-	-	734.96	6,764.83	-	-	7,499.79
Services received by the Company	30 June 2021	-	-	1,664.34	1,969.14	-	-	3,633.48
	30 June 2020	-	-	1,813.83	3,152.79	-	-	4,966.62
Claims raised for expenses	30 June 2021	-	-	136.39	2,129.87	-	-	2,266.26
	30 June 2020	269.76	-	102.47	489.75	-	-	861.98
Claims received for expenses	30 June 2021	-	-	81.63	3.06	-	-	84.69
	30 June 2020	-	-	353.25	227.74	-	-	580.99
Remuneration	30 June 2021	-	-	-	-	-	522.38	522.38
	30 June 2020	-	-	-	-	-	343.44	343.44
Sitting fees	30 June 2021	-	-	-	-	24.60	-	24.60
	30 June 2020	-	-	-	-	23.70	-	23.70
Commission	30 June 2021	-	-	-	-	4.00	-	4.00
	30 June 2020	-	-	-	-	3.00	-	3.00

Notes to the consolidated financial statements (Continued)

39 Related party transactions (Continued)

Nature of transactions	Year ended	Ultimate holding company	Intermediate holding	Holding	Fellow subsidiaries	Other related parties	Key management personnel	Total
Dividend paid	30 June 2021	-	763.62	3,900.15	-	-	0.79	4,664.56
	30 June 2020	-	-	2,785.82	-	-	2.21	2,788.03
<b>Balances outstanding</b>	<b>As at:</b>							
Payable	30 June 2021	-	-	478.48	609.00	-	-	1,087.48
	30 June 2020	-	-	988.27	1,199.50	-	-	2,187.77
Trade receivables	30 June 2021	-	-	189.69	2,621.01	-	-	2,810.70
	30 June 2020	-	-	307.62	1,061.54	-	-	1,369.16
Unbilled receivables	30 June 2021	-	-	7.60	607.06	-	-	614.66
	30 June 2020	-	-	24.22	532.63	-	-	556.85

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

(₹ lakhs)

Nature of transaction	Year ended 30 June 2021	Year ended 30 June 2020
<b>Services rendered by the Company</b>		
Accelya Holding World S.L.U.	648.75	734.96
Accelya World S.L.U.	3,046.06	2,982.11
Accelya France SAS	474.33	539.74
Accelya UK Ltd	914.56	1,027.37
Accelya America, S.A. de C.V.	55.63	168.64
Accelya Portugal Unipessoal Ltda.	34.58	128.72
Accelya Middle East FZE	2,631.29	1,829.01
Accelya Services India Private Limited	100.71	89.24
Accelya US, Inc	65.98	-
Fairlogix, Inc	45.49	-
<b>Services received by the Company</b>		
Accelya Holding World S.L.U.	1,664.34	1,813.83
Accelya World S.L.U.	1,085.76	2,036.36
Accelya France SAS	92.36	76.73
Accelya UK Ltd	183.73	163.50
Accelya America, S.A. de C.V.	33.83	57.72
Accelya Middle East FZE	362.06	578.47
Accelya US, Inc	211.40	240.01
<b>Claims raised for expenses</b>		
Accelya Topco Ltd	-	269.76
Accelya Holding World S.L.U.	136.39	102.47
Accelya World S.L.U.	653.66	130.02
Accelya France SAS	3.77	12.06
Accelya UK Ltd	20.03	11.82
Accelya America, S.A. de C.V.	0.49	10.71
Accelya Portugal Unipessoal Ltda.	0.72	0.85
Accelya Middle East FZE	1,184.09	158.86



## Notes to the consolidated financial statements (Continued)

39 Related party transactions (Continued)	(₹ lakhs)	
Nature of transaction	Year ended 30 June 2021	Year ended 30 June 2020
Accelya Services India Private Limited	266.72	165.43
Accelya US, Inc	0.39	-
<b>Claims received for expenses</b>		
Accelya Holding World S.L.U.	81.63	353.25
Accelya World S.L.U.	-	30.01
Accelya France SAS	-	0.40
Accelya UK Ltd	(2.87)	36.09
Accelya Middle East FZE	5.93	65.86
Accelya Services India Private Limited	-	81.42
Accelya US, Inc	-	13.96
<b>Dividend paid</b>		
Accelya Holding World S.L.U.	3,900.15	2,785.82
Accelya Group Bidco Limited	763.62	-
Gurudas Shenoy	0.06	0.54
Neela Bhattacharjee	0.73	0.52
Ninad Umranikar	-	1.15
<b>Remuneration</b>		
Neela Bhattacharjee	399.71	201.42
Gurudas Shenoy	57.64	99.26
Ninad Umranikar	38.47	42.76
Uttamkumar Bhati	26.56	-
<b>Sitting fees</b>		
K.K. Nohria	-	1.20
Sekhar Natarajan	6.90	7.20
Nani Javeri	8.70	7.20
Sangeeta Singh	8.70	8.10
Amol Gupte	0.30	-
<b>Commission</b>		
Sekhar Natarajan	1.00	1.00
Nani Javeri	1.00	1.00
Sangeeta Singh	1.00	1.00
Amol Gupte	1.00	-
		(₹ lakhs)
<b>Balances outstanding:</b>	<b>As at 30 June 2021</b>	<b>As at 30 June 2020</b>
<b>Payable</b>		
Accelya Holding World S.L.U.	478.48	988.26
Accelya World S.L.U.	396.22	623.21
Accelya France SAS	16.09	30.84
Accelya UK Ltd	41.63	70.45
Accelya America, S.A. de C.V.	-	30.22
Accelya Middle East FZE	61.26	359.56
Accelya US, Inc	93.80	85.23

## Notes to the consolidated financial statements (Continued)

<b>Trade receivables</b>		
Accelya Holding World S.L.U.	189.69	307.62
Accelya World S.L.U.	611.39	490.36
Accelya France SAS	114.05	67.33
Accelya UK Ltd	70.12	61.05
Accelya America, S.A. de C.V.	-	40.38
Accelya Portugal Unipessoal Ltda.	0.72	31.64
Accelya Middle East FZE	1,620.93	322.66
Accelya Services India Private Limited	104.67	48.12
Accelya US, Inc	67.31	-
Fairlogix, Inc	31.82	-
<b>Unbilled receivables</b>		
Accelya Holding World S.L.U.	7.60	24.22
Accelya World S.L.U.	286.19	222.64
Accelya France SAS	133.38	65.61
Accelya UK Ltd	165.08	243.53
Accelya Middle East FZE	22.41	0.85

## Key management personnel

(₹ lakhs)

	Year ended 30 June 2021	Year ended 30 June 2020
<b>Managerial remuneration (refer footnote below 1)</b>		
Short-term employment benefits	513.00	333.82
Post-employment benefits	9.38	9.62
<b>Total compensation</b>	<b>522.38</b>	<b>343.44</b>

- 1) The above figures do not include provisions for encashable leave as separate actuarial valuations are not available.
- 2) The Company's management is of the opinion that its international transactions with related parties are at arms length and that the Company is in compliance with the transfer pricing legislation. Based on the above, the Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for tax.

## 40 Capital and other commitments

(₹ lakhs)

	30 June 2021	30 June 2020
Estimated amount of contracts remaining to be executed on capital account, to the extent not provided (net of advances)	277.98	551.37




**Notes to the consolidated financial statements (Continued)**
**41 Contingent liabilities**

	(₹ lakhs)	
	30 June 2021	30 June 2020
Contingent liability on account of rejection of refund of cenvat credit by Service Tax Department for which appeals have been filed (net of provision)	246.68	254.69
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards certain transactions were chargeable to tax under Reverse Charge Mechanism pertaining to period April 2011 to March 2015. The Company has filed an appeal against the same with CESTAT.	591.22	591.22
Contingent liability on account of service tax demand and penalty by Service Tax authorities towards reversal of CENVAT credit on Mutual Fund transactions pertaining to period July 2012 to March 2015 and April 2015 to June 2017. The Company has filed an appeal against the same with Commissioner (Appeals).	-	416.21

The Company has reviewed all its pending litigation and proceedings and has adequately provided where provision are required. The Company has disclosed contingent liabilities wherever applicable. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

**42 Net dividend remitted in foreign exchange**

Year of remittance (ending on)		
Period to which the dividend relates	2020-21 (Interim dividend)	2018-19 (Final dividend)
Numbers of non-resident shareholders	13	12
Numbers of equity shares held on which dividend was due	13,338,409	11,156,636
Amount remitted (₹ lakhs)	4,668.44	1,673.50
Period to which the dividend relates	-	2019-20 (Interim dividend)
Numbers of non-resident shareholders	-	12
Numbers of equity shares held on which dividend was due	-	11,156,636
Amount remitted (₹ lakhs)	-	1,115.66

**43 Disclosure under Micro Small and Medium Enterprises Development (MSMED) Act, 2006**

Based on information and records available, the Company has following dues to micro and small enterprises during the years ended 30 June 2021 and 30 June 2020 and as at 30 June 2021 and 30 June 2020. This has been relied upon by the auditors.

	(₹ lakhs)	
Particulars	As at 30 June 2021	As at 30 June 2020
Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end	17.13	12.35
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-

Notes to the consolidated financial statements (Continued)

Amount of interest accrued and remaining unpaid at the end of the accounting year; and

-	-
-	-

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible

**44 Corporate Social Responsibility**

As per the Companies Act, 2013, all companies having net worth of ₹ 500 crores or more, or turnover of ₹ 1,000 crores or more or a net profit of ₹ 5 crores or more during any financial year will be required to constitute a Corporate Social Responsibility ("CSR") committee of the Board of Directors comprising three or more directors, at least one of whom shall be an independent director. The Company has constituted a committee comprising Mr. John Johnston, Mr. Nani Javeri and Ms. Sangeeta Singh as its members. The committee is responsible for formulating and monitoring the CSR policy of the Company.

The Company has implemented CSR activities through following organizations:

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

The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year is ₹ 347.00 lakhs (includes ₹ 69.80 lakhs being carried forward from previous year by CSA and Seva Sadan as they were unable to spend this amount in previous year).
- b) The Company's contribution to CSA and Seva Sadan Society towards CSR during the year was:
  - i) CSA: ₹ 235.9 lakhs (30 June 2020: ₹ 233 lakhs)
  - ii) Seva Sadan Society: ₹ 41.3 lakhs (30 June 2020: ₹ 58 lakhs)

**Details of ongoing CSR projects under Section 135(6) of the Act**

(₹ lakhs)

Balance as at 1 July 2020		Amount required to be spent during the year	Amount spent during the year		Balance as at 30 June 2021	
With the Company	In separate CSR unspent account		From the Company's bank account	From separate CSR unspent account	With the Company	In separate CSR unspent account
-	-	18.95	5.81	-	-	13.14

**Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects**

(₹ lakhs)

Balance unspent as at 1 July 2020	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at 30 June 2021
69.80	-	328.05	328.05	-

**Details of excess CSR expenditure under Section 135(5) of the Act**

(₹ lakhs)

Balance excess spent as at 1 July 2020	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 30 June 2021
-	347	333.86	-



## Notes to the consolidated financial statements (Continued)

**45 Statement pursuant to requirement of Schedule III of the Companies Act, 2013 relating Company's interest in subsidiary companies**

(₹ lakhs)

Name of Entity	Net Assets [Total Assets - Total Liabilities]		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>30 June 2021:</b>								
<b>Parent Company</b>								
Accelya Solutions India Limited	96.20%	22,949.92	107.09%	4,519.35	15.71%	60.49	99.45%	4,579.84
<b>Subsidiaries</b>								
Accelya Solutions Americas Inc	6.60%	1,575.19	11.41%	481.50	-14.43%	(55.57)	9.25%	425.93
Accelya Solutions UK Limited	1.66%	396.88	1.92%	81.21	13.17%	50.73	2.87%	131.94
Kale Consultants Limited Employees Welfare Trust	1.61%	385.05	-1.77%	(74.81)	0.00%	-	-1.62%	(74.81)
Eliminations	-6.08%	(1,450.54)	-18.65%	(787.15)	85.55%	329.43	-9.94%	(457.72)
<b>Total</b>	<b>100.00%</b>	<b>23,856.50</b>	<b>100.00%</b>	<b>4,220.10</b>	<b>100.00%</b>	<b>385.08</b>	<b>100.00%</b>	<b>4,605.18</b>
<b>30 June 2020:</b>								
<b>Parent Company</b>								
Accelya Solutions India Limited	96.40%	23,594.28	102.11%	8,863.84	-18.55%	(55.28)	98.10%	8,808.56
<b>Subsidiaries</b>								
Accelya Solutions Americas Inc	6.92%	1,694.48	6.31%	547.70	60.36%	179.91	8.10%	727.61
Accelya Solutions UK Limited	2.04%	500.17	3.06%	265.28	2.94%	8.75	3.05%	274.04
Kale Consultants Limited Employees Welfare Trust	1.88%	459.86	0.25%	21.43	0.00%	-	0.24%	21.43
Eliminations	-7.25%	(1,773.28)	-11.72%	(1,017.30)	55.25%	164.67	-9.50%	(852.64)
<b>Total</b>	<b>100.00%</b>	<b>24,475.51</b>	<b>100.00%</b>	<b>8,680.95</b>	<b>100.00%</b>	<b>298.05</b>	<b>100.00%</b>	<b>8,979.00</b>

**46 Impairment testing of Goodwill**

For the purpose of impairment testing, carrying amount of goodwill has been allocated to the single cash generating unit (CGU) to Accelya Solutions UK Limited.

The recoverable amounts of the above CGU have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

**The key assumptions used in the estimation of the recoverable amount are set out below:**

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

**Notes to the consolidated financial statements (Continued)**

The cash flow projections included specific estimates for five years developed using internal forecasts, and a terminal growth rate thereafter. The planning horizon reflects the assumptions for short-to-midterm market developments.

The average growth rates used in extrapolating cash flows beyond the planning period is 10%.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Pre-tax discount rate used is 11.44%.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

**47 Long term contracts**

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

**48 Dividend distribution**

Dividends paid during the year ended 30 June, 2021 include an amount of ₹ 35 per equity share towards interim dividends for the year ending 30 June, 2021. Dividends paid during the year ended 30 June, 2020 include an amount of ₹ 15 per equity share towards final dividend for the year ended 30 June, 2019 and an amount of ₹ 10 per equity share towards interim dividends for the year ending 30 June, 2020.

Dividends declared by the Company are based on profits available for distribution. During the previous year, dividend distribution out of retained earnings was subject to applicable dividend distribution tax.

**49 Impact of COVID 19**

The Group is closely monitoring the impact on its customers on account of the COVID 19 Pandemic and the impact of external factors. At present, the Group does not foresee any material adverse impact in the demand for the software solutions and the Group is well positioned to fulfil its obligations relating to existing contracts / arrangements. The Management has taken into consideration internal and external sources of information in determining the impact on various elements on its financial statements.

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

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

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

**50 Code on social security**

The Parliament has approved Code on Social Security, 2020 (“Code”) relating to various employee benefits including post-employment benefits. While the Code has received the President’s assent and also been published, the effective date is yet to be notified and the rules to be prescribed. The impact on the financial statements shall be assessed and recorded once the Code becomes effective and relevant rules thereunder are prescribed.

**51 Subsequent events**

The Board of Directors has recommended a final dividend of ₹ 17 per equity share for the year ended 30 June, 2021, subject to the approval of the shareholders at the ensuing Annual General Meeting.

**52 Previous year figures**

Figures for the previous year have been regrouped/ reclassified wherever necessary to make them comparable.

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

**John Johnston**  
*Chairman*  
DIN: 07258586  
London

**Shrimanikandan Ananthavaidhyanathan**  
*Managing Director*  
DIN: 09192936  
Chennai

**Uttamkumar Bhati**  
*Chief Financial Officer*  
Indore

**Ninad Umranikar**  
*Company Secretary*  
Membership No: ACS14201  
Pune  
Date : 5 August 2021

## FORM AOC - 1 (PART A)

## STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(All amounts ₹ in lakhs unless otherwise stated)

Sr.No.	Name of the subsidiary	Accelya Solutions Americas Inc	Accelya Solutions UK Limited
1	Reporting currency	USD	GBP
2	Exchange rate on the last date of the financial year	74.325	103.009
3	Financial year end on	30th June 2021	30th June 2021
4	Share capital	9.66	1.14
5	Reserves and surplus	1,565.35	395.73
6	Total assets	3,464.17	974.50
7	Total Liabilities	1,889.16	577.62
8	Investments	-	-
9	Turnover	8,382.24	2,092.74
10	Profit before taxation	638.25	122.27
11	Provision for taxation	179.63	24.90
12	Profit after taxation	458.62	97.37
13	Proposed Dividend	-	-
14	% of shareholding	100%	100%

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

**John Johnston**  
Chairman  
DIN: 07258586  
Place : London

**Shrimanikandan Ananthavaidhyathan**  
Managing Director  
DIN: 09192936  
Place : Chennai

**Uttamkumar Bhati**  
Chief Financial Officer  
Place : Indore

**Ninad Umranikar**  
Company Secretary  
Membership No: ACS14201

Mumbai  
Date : 05 August, 2021



### ACCELYA SOLUTIONS INDIA LIMITED

Regd. Off.: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037.

Tel No.: +91 20 6608 3777 Fax: +91 20 2423 1639 Email: accelyaindia.investors@accelya.com

Website: <https://w3.accelya.com>

CIN: L74140PN1986PLC041033

## NOTICE

**NOTICE IS HEREBY GIVEN THAT** the thirty fifth Annual General Meeting (“**AGM**”) of the Members of Accelya Solutions India Limited (CIN: L74140PN1986PLC041033) will be held on Wednesday, the 27th day of October, 2021 at 2.30 p.m. through Video Conferencing / Other Audio Visual Means, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the year ended 30th June, 2021, together with the Reports of the Directors' and Auditors' thereon.
2. To confirm payment of interim dividend and declare a final dividend on equity shares.
3. To appoint a Director in place of Mr. Jose Maria Hurtado (DIN: 08621867), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Appointment of Mr. Shrimanikandan Ananthavaidhyanathan (DIN: 09192936) as a Director.**

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

“**RESOLVED THAT** Mr. Shrimanikandan Ananthavaidhyanathan (DIN: 09192936) who was appointed as an Additional Director and Managing Director of the Company w.e.f. 1st July, 2021 by the Board of Directors and who holds office as an Additional Director up to the date of this Annual General Meeting in terms of Sections 149, 152 and 161 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of Nomination & Remuneration Committee, and the Board of Directors and being eligible, offers himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Shrimanikandan Ananthavaidhyanathan’s candidature for the office of the Director, be and is hereby appointed as a Director of the Company, with effect from the date of this Meeting.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or a committee thereof and / or Company Secretary of the Company, be and are/is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. **Appointment of Mr. Shrimanikandan Ananthavaidhyanathan as Managing Director and approval of remuneration payable to him**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (**“the Act”**) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded for the appointment of Mr. Shrimanikandan Ananthavaidyanathan (DIN: 09192936) as the Managing Director of the Company, for a period of 5 (five) years with effect from 1st July, 2021 to 30th June, 2026 upon the terms & conditions of appointment including remuneration by way of salary, perquisites, allowances, other benefits and incentive, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors or a committee thereof (**“Board”**) to alter and vary the terms & conditions of the said appointment including remuneration as per applicable laws, in such manner as may be agreed to between the Board of Directors and Mr. Shrimanikandan Ananthavaidyanathan.

**“RESOLVED FURTHER THAT** Mr. Shrimanikandan Ananthavaidyanathan shall not be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board and / or Company Secretary of the Company, be and are/is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

## 6. Appointment of Amol Gupte as an Independent Director

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (**“the Act”**) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Amol Gupte (DIN: 09160562), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Listing Regulations”) and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act signifying his intention to propose Mr. Gupte’s candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 20th May, 2021 up to 19th May, 2026.

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Act and Regulation 17(6) of the Listing Regulations, Mr. Amol Gupte may be paid such remuneration by way of commission for each financial year during which he continues as an Independent Director of the Company and in such a manner as the Board may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

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

**“RESOLVED FURTHER THAT** the Board and / or Company Secretary of the Company, be and are/is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”





## 7. Approval of Related Party Transactions

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (as amended), and other applicable provisions, if any, of the Act, the Rules thereunder, and the Listing Regulations, including statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time, and pursuant to the Company’s policy on Related Party Transaction(s), approval of the Members, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“Board”**), to enter into contract(s) / arrangement(s) / transaction(s) with Accelya World S.L.U. (“AW”) and Accelya Middle East FZE (“AMEFZE”), related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations as detailed in the table forming part of the Explanatory Statement annexed to this Notice with respect to rendering and / or availing of services and / or any other transactions of whatever nature, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company, and notwithstanding that such transactions with AW and AMEFZE individually may exceed 10% (ten percent) of the consolidated turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as specified in the table forming part of the Explanatory Statement annexed to this Notice.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, agreements and such other documents in this regard and deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s), Chief Financial Officer or Company Secretary, to do all such acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution(s).

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

By the Order of the Board of Directors

Ninad Umranikar  
Company Secretary  
Membership No.: A14201

Place: Pune  
Date: 5<sup>th</sup> August, 2021

**Notes:**

1. In view of the continuing restrictions on the movement of persons at several places in the country due to COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (hereinafter collectively referred to as ‘MCA circulars’) read with various circulars issued by Securities and Exchange Board of India (SEBI) allowed the companies to conduct the AGM through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) during the calendar year 2021. Accordingly, the Company would be conducting this meeting through VC or OAVM.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Corporate Members intending to authorise their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution / Authority Letter etc. authorising its representatives to attend the AGM, by e-mail to [info@napco.in](mailto:info@napco.in) and may also upload the same in the e-voting module in their login.
4. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report for 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participant. Members may note that the Notice and Annual Report for 2020-21 will also be available on the Company’s website [w3.accelya.com](http://w3.accelya.com), websites of the Stock Exchanges i.e. BSE Limited and NSE India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Company’s Registrar and Transfer Agent, KFin Technologies Private Limited (“KFinTech”) at <https://evoting.kfintech.com>.
5. An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of businesses to be transacted at the AGM, as set out under Item Nos. 4 to 7 of the Notice is annexed hereto. The relevant details of the Directors as mentioned under Item Nos. 3 to 6 in the Notice as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in the Annexure to the Notice.
6. The Board of Directors have considered and decided to include the Item nos. 4 to 7 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
7. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company, KFinTech by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.
8. Members are requested to notify change to their address or particulars of their bank account, if any, to KFinTech or in case of demat holding to their respective depository participants.
9. **MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDING TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES (LOSS OR MISPLACE OF SHARE CERTIFICATE). MEMBERS CAN CONTACT THE COMPANY OR KFINTECH FOR ASSISTANCE IN THIS REGARD.**
10. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to shareholders at the prescribed rates in the Income Tax Act, 1961 (‘the IT Act’). For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. In general, to enable compliance with TDS requirements, the Members are requested to complete / update their Residential Status, PAN, category as per the IT Act with their Depository Participants (‘DPs’) (in case of shares held in demat mode) or with the Company / Registrar and Share Transfer Agent (‘RTA’) (in case of shares held in physical mode), by sending documents through email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) on or before Sunday, 10 October, 2021.



11. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) on or before Sunday, 10 October, 2021. Members are requested to note that in case their PAN is not registered, tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). The aforesaid declarations and documents need to be submitted by the shareholders on or before Sunday, 10 October, 2021.
12. In terms of Section 124(5) of the Act, final dividend amount for FY 2013-14 and interim dividend amount for FY 2014-15 remaining unclaimed for a period of 7 years shall become due for transfer in November / December 2021 and March / April 2022 respectively to the Investor Education and Protection Fund (IEPF) established by the Central Government.

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

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

13. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or KFinTech.
14. Members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance by visiting URL <https://emeetings.kfintech.com/> and clicking on the tab 'Post your Queries' during the period starting from Sunday, 24th October, 2021 (9.00 a.m.) to Tuesday, 26th October, 2021 (5.00 p.m.) mentioning their name, demat account no./Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
15. To receive communications through electronic means, including Annual Reports and Notices, Members are requested to kindly register / update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, Members are advised to register their e-mail address with KFinTech by clicking on the link [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/).
16. Instructions for remote e-voting and joining the e-AGM are as follows:

**A. Voting through electronic means:**

- a) In compliance with the provisions of Section 108 and other applicable provisions of the Act, if any, the Companies (Management and Administration) Rules, 2014 as amended, SS-2 and Regulation 44 of the SEBI LODR, Members are provided with the facility to cast their vote electronically on all resolutions set forth in this Notice from a place other than the venue of the Meeting ('remote e-voting') through the e-voting platform provided by KFinTech or to vote at the AGM. Person who is not a member as on the cut-off date i.e., Wednesday, 20th October, 2021, should treat this Notice for information purposes only.
- b) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on the cut-off date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report may approach KFinTech for issuance of the User ID and Password for exercising their right to vote by electronic means.
- c) The facility for voting through electronic voting system will be made available at the AGM and Members attending the Meeting who have not already cast their vote by remote e-voting shall be eligible to vote at the Meeting.

- d) Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
- e) The details of the process and manner for remote e-voting are given below:
  - i. Initial password is provided in the body of the email.
  - ii. Launch internet browser and type the URL : <https://evoting.kfintech.com> in the address bar.
  - iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your votes.
  - iv. After entering the details appropriately, click on LOGIN.
  - v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi. You need to login again with the new credentials.
  - vii. On successful login, the system will prompt you to select the EVENT i.e. Accelya Solutions India Limited.
  - viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
  - ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
  - x. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/ authority letter etc., to the Scrutiniser through email at [info@napco.in](mailto:info@napco.in) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name EVENT No.'
  - xi. Members can cast their vote online from Sunday, 24th October, 2021 (9.00 a.m.) till Tuesday, 26th October, 2021 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be disabled.
  - xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFinTech on toll free number 1800-309-4001.

### **B. Voting at the AGM**

- i. Only those Members, who will be present in the AGM through video conferencing facility and have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote through e-voting in the AGM.
- ii. Members attending the AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.



- iii. Upon declaration by the Chairman about the commencement of e-voting at the AGM, members shall click on the thumb sign on the left hand bottom corner of the video screen for voting at the AGM.

**C. Procedure to login through websites of Depositories**

As per the SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

National Securities Depository Limited ('NSDL')	Central Depository Services (India) Limited ('CDSL')
<p><b>1. User already registered for IDeAS facility</b></p> <ul style="list-style-type: none"> <li>i. URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>ii. Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>iii. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>iv. Click on company name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</li> </ul>	<p><b>1. Existing user who have opted for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>i. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi</li> <li>iii. Login with user id and password.</li> <li>iv. Option will be made available to reach e-voting page without any further authentication.</li> <li>v. Click on e-voting service provider name to cast your vote.</li> </ul>
<p><b>2. User not registered for IDeAS e-Services</b></p> <ul style="list-style-type: none"> <li>i. To register click on link : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>ii. Select "Register Online for IDeAS"</li> <li>iii. Proceed with completing the required fields.</li> </ul>	<p><b>2. User not registered for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>i. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>ii. Proceed with completing the required fields.</li> </ul>
<p><b>3. User not registered for IDeAS e-Services</b></p> <ul style="list-style-type: none"> <li>i. To register click on link : <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>ii. Proceed with completing the required fields.</li> </ul>	<p><b>3. By visiting the e-voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>i. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide demat Account Number and PAN No.</li> <li>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>iv. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.</li> </ul>
<p><b>4. By visiting the e-Voting website of NSDL</b></p> <ul style="list-style-type: none"> <li>i. URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a></li> <li>ii. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>iii. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>iv. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.</li> <li>v. Click on company name or e-Voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.</li> </ul>	

## Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

### Important note

Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no. : 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cDSLindia.com">evoting@cDSLindia.com</a> or contact at 022-23058738 or 022-23058542-43.

## D. Instructions for Members for attending the AGM

- i. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- ii. Members will be able to attend the AGM through VC/OAVM by using their remote e-voting login credentials. The link for AGM will be available in Members login where the EVENT and the name of the Company can be selected. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions.
- iii. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- iv. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
- v. While all efforts would be made to make the VC/ OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- vi. **Speaker Registration before AGM:**
  - (a) Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com> and clicking on the tab 'Speaker Registration' during the period starting from Sunday, 24th October, 2021 (9.00 a.m.) upto Tuesday, 26th October, 2021 (5.00 p.m.).
  - (b) Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.
  - (c) The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that only questions of the Members holding the shares as on cut-off date will be considered.
- vii. A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com>.



- viii. Members who need technical assistance before or during the AGM can contact KFinTech at [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or Toll free number: 1800-309-4001.

## **E. General Instructions**

- a) Nilesh A. Pradhan & Co. LLP, Practicing Company Secretaries (FCS No. 5445 CP No. 3659) has been appointed as the Scrutinizer for conducting the voting process in a fair and transparent manner.
- b) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or the Managing Director. The result of e-voting will be declared within forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: [w3.accelya.com](http://w3.accelya.com) and on the website of KFinTech at: <https://evoting.kfintech.com>. The result will simultaneously be communicated to the stock exchanges.
- c) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Wednesday, 27th October, 2021.

## **F. PROCEDURE FOR INSPECTION OF DOCUMENTS**

- a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [accelyaindia.investors@accelya.com](mailto:accelyaindia.investors@accelya.com).
- b) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before, 20th October, 2021 through email on [accelyaindia.investors@accelya.com](mailto:accelyaindia.investors@accelya.com). The same will be replied by the Company suitably.

By the Order of the Board of Directors

Ninad Umranikar  
Company Secretary  
Membership No.: A14201

Place: Pune  
Date: 5<sup>th</sup> August, 2021

## Explanatory Statement

### (Pursuant to Section 102 of the Companies Act)

As required by section 102 of the Companies Act, 2013 (Act), the following statement sets out all material facts relating to the business mentioned under Items No. 5 to 7 of the Notice:

#### Item No. 4 & 5

The Board of Directors (“**the Board**”) (based on the recommendation of Nomination and Remuneration Committee) appointed Mr. Shrimanikandan Ananthavaidhyanathan (DIN: 09192936) as an Additional Director under Section 161(1) of the Act, with effect from 1st July, 2021. He was also appointed as Managing Director from that date. In terms of Section 161(1) of the Act, Mr. Shrimanikandan Ananthavaidhyanathan holds office only upto the date of the forthcoming AGM and is eligible for appointment as a Director. The Company has received a notice under Section 160(1) of the Act from a Member signifying his intention to propose Mr. Shrimanikandan Ananthavaidhyanathan’s appointment as a Director.

The Board has also appointed Mr. Shrimanikandan Ananthavaidhyanathan as the Managing Director of the Company for a period of 5 (five) years from 1st July, 2021 to 30th June, 2026, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Mr. Shrimanikandan Ananthavaidhyanathan, aged 49 years, holds a Masters degree in Computer Science from Bharathidasan University. Prior to joining the Company, he worked with organizations like Tata Consultancy Services, Jet Airways and Sabre. He is a seasoned airline technology leader with more than 2 decades of technology industry experience in airline application development, management and consultancy.

The other details of Mr. Shrimanikandan Ananthavaidhyanathan, including the nature of his expertise in specific functional areas, names of companies in which he holds directorships and Memberships / chairmanships of Board Committees and shareholding, as stipulated under the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided as an Annexure to this Notice.

The principal terms and conditions of appointment of Mr. Shrimanikandan Ananthavaidhyanathan as the Managing Director as per Employment Agreement (“**the Agreement**”) entered into by the Company with Mr. Shrimanikandan Ananthavaidhyanathan, subject to the approval of the Member, inter alia covers the following:

#### 1. Period of Appointment

Five years commencing from 1st July, 2021.

#### 2. Period of Remuneration

In terms of Section II of Part II to Schedule V to the Act, the approval of the Members is sought for payment of remuneration to Mr. Shrimanikandan Ananthavaidhyanathan for a period of 3 years from 1st July, 2021.

#### 3. Remuneration

In consideration of the performance of his duties, the Company shall pay the following remuneration to Mr. Shrimanikandan Ananthavaidhyanathan for the period from 1st July 2021 to 30th June 2022:

##### A. Basic Salary, Allowances, Perquisites

Basic Salary and Allowances up to Rs. 17,337,713 (Rupees Seventeen Million Three Hundred and Thirty Seven Thousand Seven Hundred and Thirteen only) per annum.

##### B. Other Benefits

- i) Employer’s Contribution to Provident Fund
- ii) Gratuity: As per Rules of the Company.
- iii) Leave: As per Rules of the Company.



**C. Incentive**

Mr. Shrimanikandan Ananthavaidhyanathan shall be entitled to such incentive as may be decided by the Board of Directors from time to time based on his performance.

**Overall remuneration**

The overall remuneration payable to Mr. Shrimanikandan Ananthavaidhyanathan for the financial year 2021-22 shall not exceed Rs. 30,187,500 (Rupees Thirty Million One Hundred Eighty Seven Thousand Five Hundred only).

**Increase in remuneration**

Subject to applicable laws, the Board is authorised to increase the overall remuneration of Mr. Shrimanikandan Ananthavaidhyanathan by up to 20% (twenty percent) on an annual basis for the period from 1st July, 2022 to 30th June, 2024 in such manner as it may deem fit.

**Payment of remuneration in excess of 5% of the net profits of the Company**

The remuneration payable to Mr. Shrimanikandan Ananthavaidhyanathan for the period from 1st July, 2021 to 30th June, 2022 may exceed 5% (five percent) of the net profits of the Company computed in the manner provided in Section 198 of the Act.

**Minimum remuneration**

In the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Shrimanikandan Ananthavaidhyanathan as Managing Director, the aforesaid remuneration by way of salary, perquisites, allowances, other benefits and incentive (including the annual increase in remuneration) for the period from 1st July, 2021 to 30th June, 2024 may be paid as minimum remuneration, subject to provisions of the Act and Schedule V to the Act.

**Income-tax**

Income-tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

**4. Duties**

Mr. Shrimanikandan Ananthavaidhyanathan shall (a) devote his full working time, attention and skill to the Company unless prevented from doing so by sickness or injury and (b) faithfully and diligently perform such duties and exercise such powers consistent with his position as may from time to time be assigned to or vested in him; and (c) act in good faith, in order to promote the objects of the Company, for the benefits of the Company as a whole, and in the best interests of the stakeholders of the Company.

**5. Reimbursement of Expenses**

The Company will reimburse to Mr. Shrimanikandan Ananthavaidhyanathan all reasonable out of pocket expenses incurred in or in relation to the performance of his duties provided that such expenses are as per the relevant policies of the Company and evidenced in such a manner as the Company may require in line with the Company's expenses policy.

**6. Termination****i) Termination without cause**

The Company may at its own behest terminate the employment of Mr. Shrimanikandan Ananthavaidhyanathan by giving him a notice of 6 (six) months in writing or payment of an amount equal to 6 (six) months of salary in lieu thereof.

Mr. Shrimanikandan Ananthavaidhyanathan may at his own behest terminate the employment by giving the Company a notice of 6 (six) months in writing.

ii) Other Termination

- (a) The Company may, at its own behest, issue a termination notice to Mr. Shrimanikandan Ananthavaidhyanathan if he fails to perform / discharge his obligations, duties and responsibilities and / or fails to materially comply with the directions of the Board, for any reason whatsoever and/ or fails to comply with such other conditions as are mentioned in the Agreement. Upon receiving the termination notice, Mr. Shrimanikandan Ananthavaidhyanathan will have 3 (three) months to remedy the failure. If the same is not remedied within 3 (three) months from receiving the notice, the Company may terminate his employment by giving him an additional notice of 3 (three) months in writing or payment of an amount equal to 3 (three) months of salary in lieu thereof, and Mr. Shrimanikandan Ananthavaidhyanathan shall be entitled to continuation of Employee's health insurance coverage, if any, for a period of 3 (three) months.
- (b) In case of a disability, the Company may at its own behest terminate the employment of Mr. Shrimanikandan Ananthavaidhyanathan by giving him a notice of 6 (six) months in writing or payment of an amount equal to 6 (six) months of salary in lieu thereof.

iii) Termination for cause

The Board may at its own behest, terminate the employment of Mr. Shrimanikandan Ananthavaidhyanathan, by giving him a notice of 1 (one) week in writing or payment of salary in lieu thereof in the event Mr. Shrimanikandan Ananthavaidhyanathan:

- (a) wilfully fails to substantially perform his duties under the Agreement, other than a failure resulting from disability; wilfully conducts an act which constitutes gross misconduct and which is injurious to the Company; or materially and wilfully violates any law or regulation applicable to the Company;
- (b) commits any material breach or commits any repeated or continued misconduct or breaches of his obligations under the Agreement or any of the warranties set out in the Agreement is materially inaccurate;
- (c) is guilty of misconduct involving moral turpitude or otherwise falls into disrepute outside the course of the employment which in the reasonable opinion of the Company will prejudice its interests;
- (d) is convicted of a felony or other criminal offence; or
- (e) conducts an act of moral turpitude that prejudices the interests of the Company.

The total remuneration payable to Mr. Shrimanikandan Ananthavaidhyanathan for the Financial Year 2021-22, may exceed 5% (five percent) of the estimated net profits of the Company to be calculated as per the provisions of Section 198 of the Act. Pursuant to the provisions of Section 197 (3) of the Act read with the Schedule V thereto, as amended, if in any financial year, a company has no profits or its profits are inadequate, it can pay remuneration to its Managing Directors in accordance with the provisions of Schedule V to the Act i.e. not exceeding the limits specified under Item (A) of Section II of Part II of the said Schedule V to the Act, provided that the remuneration in excess of above limits may be paid if the resolution passed by the Members is a special resolution. Thus, the approval of the Members by way of a special resolution is being sought for enabling the payment of overall remuneration to Mr. Shrimanikandan Ananthavaidhyanathan for the Financial Year 2021-22.

It is hereby confirmed that the Company has not committed any default in payment of dues to any bank or public financial institution or any other secured creditor.



In terms of Schedule V to the Act, the relevant details that are required to be disclosed are provided hereunder:

<b>I. General Information</b>			
(1)	Nature of Industry	Information Technology & Information Technology Enabled Services	
(2)	Date or expected date of commencement of commercial production:	The Company was incorporated on 25 <sup>th</sup> September, 1986. The Company commenced its operations on the same day	
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable	
(4)	Financial Performance based on given indicators:	<b>Particulars for the Financial Year ended 30th June, 2021</b>	<b>Rs. in Lakhs</b>
		Total Income	26,977.30
		Operating Profit (Before Interest, Depreciation and Tax) (PBIDT)	9,259.75
		Profit Before Tax (PBT)	5,875.22
		Profit After Tax (PAT)	4,519.34
(5)	Foreign investments or collaborations, if any:	Not Applicable	
<b>II. Information about the Appointees:</b>			
(1)	<b>Background details</b>	Mr. Shrimanikandan Ananthavaidhyanathan was appointed as an Additional Director designated as Managing Director with effect from 1st July, 2021, subject to the approval of Member of the Company.	
		Mr. Shrimanikandan Ananthavaidhyanathan is a seasoned airline technology leader with more than 2 decades of technology industry experience in airline application development, management and consultancy. He has worked with organizations like Tata Consultancy Services and Sabre to provide technology solutions to global airlines. He has also worked with Jet Airways India Ltd as the Chief Information Officer with focus on technology modernisation.	
		Mr. Shrimanikandan Ananthavaidhyanathan 's areas of interest include enterprise architecture, machine learning, robotics and digital transformation. Shrimanikandan Ananthavaidhyanathan received a Masters' degree in Computer Science from Bharathidasan University.	
(2)	<b>Past Remuneration</b>	For Financial Year 2020-21	Not Applicable as Mr. Shrimanikandan Ananthavaidhyanathan has been appointed Managing Director with effect from 1st July, 2021.
(3)	<b>Recognition or awards</b>	Not Applicable	
(4)	<b>Job Profile and his suitability:</b>	Mr. Shrimanikandan Ananthavaidhyanathan is entrusted with substantial powers of management of the affairs of the Company under the superintendence, control and direction of the Board of Directors. He is, inter alia, responsible for: (a) formulating policies for the Company, including the Company's values, mission, vision, and short and long-term goals. (b) preparing strategic road map for the Company and in consultation with the Board, monitor the effectiveness and results over time. (c) carrying out business planning and taking executive decisions required for day to day operation of the Company (d) developing and implementing operational policies (e) in co-ordination with the CFO, overseeing fiscal activities of the organization including budgeting, reporting and audit, in co-ordination with the CFO. (f) in co-ordination with the CFO, working with the Board to ensure financing to support short and long-term goals.	

(5)	<b>Remuneration proposed:</b>	For Financial Year 2021-22 not exceeding Rs. 30,187,500
(6)	<b>Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and person:</b>	The executive remuneration in the industry has increased manifold over the years. The remuneration payable to Mr. Shrimanikandan Ananthavaidhyathan is at par with the remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company, industry benchmarks in general and the profile of and responsibilities shouldered by Mr. Shrimanikandan Ananthavaidhyathan.
(7)	<b>Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel or other director, if any:</b>	Other than the remuneration received as Managing Director, Mr. Shrimanikandan Ananthavaidhyathan does not have any other pecuniary relationship with the Company. He does not have any relationship with any other managerial personnel or other director of the Company.
III.	<b>Other Information:</b>	
(1)	<b>Reasons of loss or inadequate profits:</b>	The single most important reason for the expected inadequacy of profits for the Financial Year 2021-22 is the huge impact that the COVID-19 pandemic is having on the global air transport industry. The airline passenger revenues have severely plummeted owing to the sweeping travel restrictions and consequent global recession. As a result of this, the airline industry is facing its gravest crisis. Since the Accelya group is a leading global provider of technology platforms, software and services to the travel and transport industry, the disruption in the airline industry has directly impacted the business operations of the Company and the Accelya group.
(2)	<b>Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms</b>	The Company has undertaken various cost containment measures. Several expenses which were found to be not immediately necessary have been curtailed. Since the events that have occurred are beyond the control of the Company and the Accelya group, it is difficult to estimate a clear timeline on the streamlining of the airline passenger operations. Despite the impact of the COVID-19 pandemic and cost containment and other measures, the Company continues to remain profitable and has posted profits in every quarter of the Financial Year 2020-21. The Company has been able to maintain healthy cashflow position for the period . It is not possible to provide expected increase in productivity and profits in measurable terms.

The Agreement entered into by the Company with Mr. Shrimanikandan Ananthavaidhyathan for appointment as Managing Director would be available for inspection by the Members at the registered office of the Company during normal business hours (between 11.00 a.m. to 1.00 p.m.) on all working days upto the date of the Annual General Meeting to be held on 27th October, 2021.

Mr. Shrimanikandan Ananthavaidhyathan does not hold any equity shares of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives, other than Mr. Shrimanikandan Ananthavaidhyathan, are concerned or interested, financially or otherwise, in the resolutions mentioned at Item Nos. 4 & 5 of the Notice.

The Board recommends the ordinary resolution set out at Item No. 4 and the special resolution set out at item no. 5 of the Notice for approval by the Members. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, this item is considered unavoidable and forms part of this Notice.

#### Item No. 6

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Amol Gupte (DIN: 09160562) as an Additional Director designated as an Independent Director from 20th May, 2021. In terms of Section 161(1) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) ("the Act"), Mr. Amol Gupte holds office as an Additional Director only up to the date of the forthcoming Annual General Meeting. Mr. Amol Gupte, being eligible has offered himself for appointment as an Independent Director. The Company has received notice from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr. Amol Gupte for the office of Independent Director of the Company.



Mr. Amol Gupte, aged 56 years is a BE from Bangalore University and has a Masters' Degree from Michigan Tech University, USA with an MBA in Marketing Management. He is a technology leader and has over two decades of management experience in IT Applications and Infrastructure, setting up startups with deep experience in banking technologies and P&L responsibilities across geographies. He was the Managing Director at Accenture and has held leadership positions at startups and global financial institutions. His current areas of interest include Cyber Security, Blockchain, Robotic Process Automation, Artificial Intelligence and Machine Learning.

The other details of Mr. Gupte including the nature of his expertise in specific functional areas, names of companies in which he holds directorships and Memberships / chairmanships of Board Committees and shareholding as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), are provided as an Annexure to this Notice.

In terms of proviso to sub-Section (5) of Section 152 of the Act, the Board of Directors is of the opinion that Mr. Amol Gupte fulfils the conditions specified in the Act for his appointment as an Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Mr. Amol Gupte's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution set out at Item No. 6 of the Notice relating to the appointment of Mr. Amol Gupte as an Independent Director, not liable to retire by rotation for a period of five consecutive years w.e.f. 20th May, 2021 up to 19th May, 2026, for your approval.

Mr. Gupte has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Act, 2013 and Rules framed thereunder, read with Schedule IV of the Act and Regulation 16 of the Listing Regulations. Mr. Gupte has further confirmed that he has registered himself in the database for Independent Directors.

The Company has also received:

- i) the consent in writing to act as Director;
- ii) intimation that he is not disqualified under Section 164(2) of the Act; and
- iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

A copy of the draft letter for the appointment of Mr. Amol Gupte as an Independent Director setting out the terms & conditions would be available for inspection by the Members at the registered office of the Company during normal business hours (between 11.00 a.m. to 1.00 p.m.) on all working days upto the date of the Annual General Meeting to be held on 27th October, 2021.

None of the Directors, Key Managerial Personnel or their respective relatives, other than Mr. Amol Gupte, are concerned or interested, financially or otherwise, in the resolutions mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 of the Notice for approval of Members as Ordinary Resolution. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

## Item No. 7

Under provisions of Section 188 of the Companies Act, 2013 ("**the Act**") read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended from time to time, approval of Members is required for transactions with a related party exceeding 10% of the consolidated turnover of the company as per the latest audited financial statement. Further, as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("**Listing Regulations**"), the Audit Committee pre-approves all the related party transactions that the Company proposes to enter into during a financial year. As per Regulation 23 of the Listing Regulations, approval of the Members by way of Ordinary Resolution is required for material related party transactions (i.e. transactions exceeding 10% of the annual consolidated turnover of the company as per the latest audited financial statements of the company).

Certain transactions for Financial Year 2021-22 between the Company and (a) Accelya World S.L.U. ("**AW**") and (b) Accelya Middle East FZE ("**AMEFZE**") are likely to exceed the threshold limit of 10% (ten percent) of the annual consolidated turnover of the Company as per the last audited financial statement for the Financial Year 2020-21,

as a result of which transactions with these related parties may become material related party transactions they might breach the materiality threshold of 10% (ten percent) of the annual consolidated turnover of the Company i.e. (Rs. 29,036.58 lakhs) as per last audited financial statements of the Company for Financial Year 2020-21. Hence, to ensure uninterrupted operations of the Company, it is proposed to secure shareholders' approval for the related party contract(s)/ arrangement(s)/transaction(s) to be entered into with AW and AMEFZE to be executed on an arm's length basis and in the ordinary course of business

#### Rationale / Benefits of rendering / availing services to / from AW and AMEFZE

The strategic advantages for the Company in rendering/ availing services to / from AW and AMEFZE are:

1. Effective negotiation with customers and vendors enabling economies of scale.
2. Increased business opportunities for various services benefiting entities within Accelya group.
3. Effectively enhance efficiency within the Company by optimum utilization of resources viz. manpower, skills etc.

Till the Financial Year 2020-21, the transactions entered into by the Company with AW and AMEFZE were not material in nature and were carried on with prior approval of the Audit Committee. All the related party transactions are carried on and shall continue to be carried on at arm's length basis and in the ordinary course of business. For the Financial Year commencing from 1st July, 2021 and thereafter for each financial year, the Audit Committee and the Board has recommended the below mentioned contracts/ arrangements/ transactions for consideration of the Members on such terms and conditions as specified in the table below:

Sr. No.	Name of Related Party	Name of Director / KMP related	Nature of relationship	Nature, material terms, monetary value and particulars of the contract or arrangement	Any other information relevant or important for the Members to take a decision on the proposed resolution
1	Accelya World S.L.U. ("AW")	i) John Johnston ii) Jose Maria Hurtado	Mr. Jose Maria Hurtado (Non-Executive Director of the Company) and Mr. John Johnston (Chairman of the Company) are Directors of AW.	The Company renders / avails various services to / from AW and AMEFZE including but not limited to processing & outsourcing services, product support & development, project & program management services, technical & IT infrastructure and other support & services, business support services, sales account management services, distribution services, licensing services etc.	All important information forms part of the statement setting out material facts pursuant to Section 102 (1) of the Companies Act, 2013 which has been mentioned in the foregoing paragraphs
2	Accelya Middle East FZE ("AMEFZE")	None	AMEFZE is the Fellow Subsidiary of the Company	Monetary Value of transactions likely to be entered into for Financial Year 2021-22 and thereafter each financial year by the Company with: i) AW: INR 6,000 lakhs ii) AMEFZE: INR 6,000 lakhs	

None of the Directors and/or Key Managerial Personnel of the Company and / or their respective relatives other than Mr. Jose Maria Hurtado, who is the Non-Executive Director of the Company and is also the Director of AW and Mr. John Johnston who is the Chairman of the Company and is also the Director of AW, are concerned or interested,

either directly or indirectly, in the resolution set out at Item no. 7 of the Notice.

Mr. Jose Maria Hurtado and Mr. John Johnston and their respective relatives' interest or concern, if any, is limited to the extent of their holding directorship position in AW.

Accelya Holding World S.L.U., being promoter of the Company and holding 74.66% of the outstanding equity shares of the Company, is considered interested in the Ordinary Resolution set out at Item No. 7 and will not be eligible to vote on the Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the Members. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

## ANNEXURE

Name of Director	Jose Maria Hurtado	Shrimanikandan Ananthavaidhyathan	Amol Gupte
DIN	08621867	09192936	09160562
Nationality	Spanish	Indian	Indian
Date of Birth	27 October 1972	31 July 1972	7 June 1965
Date of Appointment	27 November 2019	1 July 2021	20 May 2021
Qualification	Bachelor in Business Administration	Masters' degree in Computer Science	BE, Masters' Degree from Michigan Tech University, USA and MBA in Marketing Management.
Expertise in specific functional area	Rich experience in Finance, Strategy	Rich experience in Information Technology and Sales & Marketing	Rich experience in IT Applications and Infrastructure, banking technologies, marketing and financial management
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	NIL	NIL	NIL
Memberships / Chairmanships of Committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	NIL	NIL	NIL
Relationship between Directors, Manager and other Key Managerial Personnel inter-se	NIL	NIL	NIL
Shareholding in the Company	NIL	NIL	NIL
Details of last drawn remuneration in Financial Year 2020-2021 (Including Sitting Fees & Commission)	[NIL]	[NIL]	[130,000]

By the Order of the Board of Directors

Ninad Umranikar  
Company Secretary  
Membership No.: A14201

Place: Pune  
Date: 5<sup>th</sup> August, 2021



**REGISTRATION OF E – MAIL ADDRESS FORM**

As per Rule 18 of the Companies (Management and Administration) Rules, 2014

KFin Technologies Private Limited

**Unit: Accelya Solutions India Limited**

Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda

Hyderabad - 500 032

I / We shareholder(s) of Accelya Solutions India Limited, hereby accord my / our approval to receive documents viz annual reports, notices of general meetings / postal ballot, other documents etc. in electronic mode.

I / We request you to note my / our latest email address, as mentioned below. If there is any change in the e-mail address, I / we will promptly communicate the same to you. I / We attach the self-attested copy of PAN Card / passport towards identification proof for the purpose of verification.

Folio No / DP ID and Client ID	
Name of first / sole share holder	
Name of joint share holder(s) if any	
Registered Address	
E-mail address (to be registered)	

\_\_\_\_\_  
(Signature of shareholder)

Place:

Date :





### ACCELYA SOLUTIONS INDIA LIMITED

Regd. Off.: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411 037.

Tel No.: +91 20 6608 3777 Fax: +91 20 2423 1639 Email: accelyaindia.investors@accelya.com

Website: <https://w3.accelya.com>

CIN: L74140PN1986PLC041033

#### ECS Mandate Form for payment of Dividend

(In case of physical holding - send to our Registrar and Transfer Agent in case of demat holding - send to your Depository Participant)

I/We request you to arrange for payment of my / our dividend through ECS facility by crediting the same to my / our bank account as per details given below:

1. First / Sole Shareholder's Name	
2. If shares not Dematerialised - Registered Folio No.	
3. If shares Dematerialised - DPID No. and Client ID No.	
4. * Particulars of Bank Account	
a. Bank Name	
b. Branch Name	
c. Address of the Branch	
d. 9 - digit MICR code number of the Bank and Branch as appearing on the MICR Cheque issued by the Bank.	
e. Account type	Savings (      )      Current (      )
f. Account Number as appearing on the Cheque Book	

\* Please attach a cancelled photocopy of cheque issued by the Bank for verification of the above details.

I / We hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incomplete or incorrect information or for any other reason, I/we would not hold the Company responsible or liable. In case of ECS facility not being available for any reason, the bank account details provided above may be incorporated in the payment instrument and sent to my/our Bankers at the address provided above and be considered as a mandate by me/us. This instruction will hold good for payment of dividend for subsequent years also unless revoked by me/us in writing.

**Yours faithfully,**

\_\_\_\_\_  
Name and signature of First/Sole Shareholder

# accelya

Registered Office: Accelya Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune – 411037, India.  
Tel: +91 20 66083777 Fax: +91 20 24231639 E-mail: [accelyaindia.investors@accelya.com](mailto:accelyaindia.investors@accelya.com)  
Website : [w3.accelya.com](http://w3.accelya.com) CIN: L74140PN1986PLC041033