AMK & ASSOCIATES
Chartered Accountants

Stesalit Tower, Room No: 303 3rd floor,
E 2-3, Block EP & GP Sector-V, Salt Lake,
Kolkata- 700091
Ph- 91 (33) 40630462, 40697147

Sunshine Tower, 7th Floor, Unit No.: 716,
Senapati Bapat Marg, Dadar (West)
Mumbai- 400013
Ph- 91 (22) 24322838

INDEPENDENT AUDITOR'S REPORT

To the Members of Kalimati Global Shared Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial statements of Kalimati Global Shared Services Limited ("the Company") which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial statements of the current period. These matters were addressed in the context of our audit of the 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.

Srl. No.	Key Audit Matter	Auditor's Response
1	**Estimation Uncertainty relating to the global pandemic COVID-19**	**Principal Audit Procedures**
	In assessing the recoverability of trade receivables, the Company has considered internal and external information up to the date of approval of these financial statements. As Company is not a capital-intensive company and being in service industry providing services primarily to Companies under the control of the Parent of it Holding Company, therefore it expects to recover the carrying amount of these assets.	We obtain an understanding of the Company's credit policy for trade receivables. We have also reviewed management assessment on recovery and compliance of the terms and condition relating to trade receivables. We also discussed with the Key Management and reviewed the supporting documents along-with the adequacy of Internal Controls over the carrying amount of the assets. **Our Observations** Based on our review and audit procedures, we found that the management assessment on recovery of the carrying amount is reasonable as the they primarily served their customers which are under the control of Parent of Holding Company.

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 obtained at the date of this auditor's report is information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibility for the Financial statements
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the

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

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

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

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

Stesalit Tower, Room No: 303 3rd floor,
E 2-3, Block EP & GP Sector-V, Salt Lake,
Kolkata- 700091
Ph- 91 (33) 40630462, 40697147

Sunshine Tower, 7th Floor, Unit No.: 716,
Senapati Bapat Marg, Dadar (West)
Mumbai- 400013
Ph- 91 (22) 24322838

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 Financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

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

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

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

(d) In our opinion, the aforesaid Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act

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

i. The Company does not have any pending litigations which would impact its financial position.

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

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

For AMK & Associates
Chartered Accountants
FRN: 327817E

BHUPENDRA KUMAR BHUTIA
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Date: 2020.05.12 20:18:10 +05'30'

Bhupendra Kumar Bhutia
Partner
M.No.: 059363
UDIN: 20059363AAAAPH3937

Place: Kolkata
Date: May 12, 2020

AMK & ASSOCIATES
Chartered Accountants

Annexure - A to the Independent Auditors' Report

Referred to Paragraph 1 of Report on Other Legal and Regulatory Requirements in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

(i) The Company does not have any fixed assets (Property, Plant and Equipment). Thus, paragraph 3(i) of the Order is not applicable to the Company.

(ii) The Company is a service company, primarily rendering consultancy services, accordingly it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has not made any investments made or loans or guarantee or security provided to the parties covered under Section 186. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, duty of customs, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and services tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures, as at the balance sheet date the provisions of Clause 3(viii) of the Order are not applicable to the Company.

(ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid for managerial remuneration in terms of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For AMK & Associates
Chartered Accountants
FRN: 327817E

BHUPENDRA KUMAR BHUTIA
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Date: 2020.05.12 20:18:44 +05'30'

Bhupendra Kumar Bhutia
Partner
M.No.: 059363
UDIN: 20059363AAAAPH3937

Place: Kolkata
Date: May 12, 2020

AMK & ASSOCIATES
Chartered Accountants

AMK & ASSOCIATES
Chartered Accountants

Stesalit Tower, Room No: 303 3rd floor,
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Kolkata- 700091
Ph- 91 (33) 40630462, 40697147

Sunshine Tower, 7th Floor, Unit No.: 716,
Senapati Bapat Marg, Dadar (West)
Mumbai- 400013
Ph- 91 (22) 24322838

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March 2020 in conjunction with our audit of the 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Stesalit Tower, Room No: 303 3rd floor,
E 2-3, Block EP & GP Sector-V, Salt Lake,
Kolkata- 700091
Ph- 91 (33) 40630462, 40697147

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For AMK & Associates
Chartered Accountants
FRN: 327817E
BHUPENDRA KUMAR BHUTIA Digitally signed by BHUPENDRA KUMAR BHUTIA Date: 2020.05.12 20:19:13 +05'30'
Bhupendra Kumar Bhutia
Partner
M.No.: 059363
UDIN: 20059363AAAAPH3937

Place: Kolkata
Date: May 12, 2020

AMK & ASSOCIATES Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
I Non-current assets			
(a) Intangible assets	3	35,79,248	46,01,619
(b) Right of use assets	4	13,66,95,426	-
(c) Financial assets			
(i) Other financial assets	5	1,64,00,958	1,64,18,958
(d) Deferred tax assets	6	16,73,608	2,36,216
Total non-current assets		**15,83,49,240**	**2,12,56,793**
II Current assets			
(a) Financial assets			
(i) Trade receivables	7	9,29,91,115	5,91,33,049
(ii) Cash and cash equivalents	8	1,46,98,949	48,12,627
(iii) Other financial assets	5	9,804	1,09,925
(b) Other non-financial assets	9	15,10,342	37,75,703
(c) Income Tax Assets (Net)		1,77,47,656	1,37,20,107
Total current assets		**12,69,57,866**	**8,15,51,411**
TOTAL ASSETS		**28,53,07,106**	**10,28,08,204**
EQUITY AND LIABILITIES			
III Equity			
(a) Equity Share Capital	10	4,00,00,060	4,00,00,060
(b) Retained earnings	11	1,99,15,116	1,27,961
Total Equity		**5,99,15,176**	**4,01,28,021**
IV Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	10,34,82,992	-
(b) Provisions	13	2,14,740	1,08,780
(c) Retirement benefit obligations	14	4,41,480	1,15,760
Total non-current liabilities		**10,41,39,212**	**2,24,540**
V Current liabilities			
(a) Financial liabilities			
(i) Trade payables	15		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,59,51,482	5,27,34,097
(ii) Other financial liabilities	16	4,02,78,700	48,30,000
(b) Provisions	13	7,620	6,850
(c) Retirement benefit obligations	14	740	430
(d) Other non-financial liabilities	17	50,14,176	48,84,266
Total current liabilities		**12,12,52,718**	**6,24,55,643**
TOTAL EQUITY AND LIABILITIES		**28,53,07,106**	**10,28,08,204**
See accompanying notes forming part of the financial statements			

In terms of our report attached
For AMK & Associates
Chartered Accountants
FRN:327817E

BHUPENDRA KUMAR BHUTIA
Digitally signed by BHUPENDRA KUMAR BHUTIA
Date: 2020.05.12 20:19:44 +05'30'

Bhupendra Kumar Bhutia
Partner
Membership No - 059363

For and on behalf of the Board of Directors

Ranganath Raghupathy Rao
Chairman
(DIN:06725337)

Sandeep Bhattacharya
Managing Director
(DIN:07071894)

Neha Rekhi

Neha Rekhi
Chief Financial Officer

Shamita Sinha Mahapatra
Company Secretary

Kolkata, 12th May' 2020

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2020

(Amount in ₹)

		Note	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
I	Revenue from operations	18	35,54,41,672	20,13,48,474
II	Other income	19	5,85,413	1,30,994
III	**Total Income**		**35,60,27,085**	**20,14,79,468**
IV	**Expenses:**			
	(a) Employee benefit expenses	20	12,25,12,642	6,29,94,885
	(b) Finance costs	21	1,67,57,481	-
	(c) Depreciation and amortisation expense	22		
	(i) Right of use buildings		2,89,32,871	-
	(ii) Right of use furniture and fixtures		1,43,83,602	-
	(iii) Intangible assets		11,91,921	10,33,017
	(d) Other expenses	23	14,53,00,265	13,39,38,815
	Total Expenses		**32,90,78,782**	**19,79,66,717**
V	**Profit/(Loss) before tax (III- IV)**		**2,69,48,303**	**35,12,751**
VI	**Tax expense:**	24		
	(a) Current tax		85,70,142	6,75,853
	(b) Deferred tax		(14,37,393)	2,37,462
	Total tax expense		**71,32,749**	**9,13,315**
VII	**Profit/(loss) after tax (V-VI)**		**1,98,15,554**	**25,99,436**
VIII	**Other comprehensive income/(loss)**			
	A (i) Items that will not be reclassified subsequently to the statement of profit and loss			
	(a) Remeasurement gains/(losses) on post employment defined benefit plans		(37,950)	**(10,853)**
	(ii) Income tax on Items that will not be reclassified subsesquently to the statement of profit and loss		9,551	**3,019**
	B (i) Items that will be reclassified subsequently to the statement of profit and loss		-	-
	(ii) Income tax on Items that will be reclassified subsesquently to the statement of profit and loss		-	-
	Total other comprehensive income/(loss)		**(28,399)**	**(7,834)**
IX	**Total comprehensive income/(loss) for the period (VII+VIII)**		**1,97,87,155**	**25,91,602**
X	**Earnings per share**	25		
	Basic and Diluted (₹)			
	(i) Basic		**4.95**	**0.77**
	(ii) Diluted		**4.95**	**0.77**

See accompanying notes forming part of the financial statements

In terms of our report attached
For AMK & Associates
Chartered Accountants
FRN:327817E

BHUPENDRA KUMAR BHUTIA Digitally signed by BHUPENDRA KUMAR BHUTIA Date: 2020.05.12 20:20:23 +05'30'

Bhupendra Kumar Bhutia
Partner
Membership No - 059363

For and on behalf of the Board of Directors

Ranganath Raghupathy Rao
Chairman
(DIN:06725337)

Sandeep Bhattacharya
Managing Director
(DIN:07071894)

Neha Rekhi

Neha Rekhi
Chief Financial Officer

Shamita Sinha Mahapatra
Company Secretary

Kolkata, 12th May' 2020

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2020

A. EQUITY SHARE CAPITAL

(Amount in ₹)

Balance as at April 01, 2019	Changes during the period	Balance as at March 31, 2020
40,000,060	-	40,000,060

(Amount in ₹)

Balance as at April 01, 2018	Changes during the period	Balance as at March 31, 2019
1,500,060	38,500,000	40,000,060

B. OTHER EQUITY

(Amount in ₹)

	Retained Earnings	Total Equity
Balance as at April 01, 2019	**127,961**	**127,961**
Profit for the period	19,815,555	19,815,555
Other Comprehensive income	(28,399)	(28,399)
Total Comprehensive income	**19,787,156**	**19,787,156**
Balance as at March 31, 2020	**19,915,117**	**19,915,117**

(Amount in ₹)

	Retained Earnings	Total Equity
Balance as at April 01, 2018	**(2,463,641)**	**(2,463,641)**
Profit for the period	2,599,436	2,599,436
Other Comprehensive income	(7,834)	(7,834)
Total Comprehensive income	**2,591,602**	**2,591,602**
Balance as at March 31, 2019	**127,961**	**127,961**

In terms of our report attached
For AMK & Associates
Chartered Accountants
FRN:327817E

BHUPENDRA KUMAR BHUTIA Digitally signed by BHUPENDRA KUMAR BHUTIA Date: 2020.05.12 20:20:55 +05'30'

Bhupendra Kumar Bhutia
Partner
Membership No - 059363

For and on behalf of the Board of Directors

Ranganath Raghupathy Rao
Chairman
(DIN:06725337)

Sandeep Bhattacharya
Managing Director
(DIN:07071894)

Neha Rekhi

Neha Rekhi
Chief Financial Officer

Shamita Sinha Mahapatra
Company Secretary

Kolkata, 12th May' 2020

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH 2020

(Amount in ₹)

	Period Ended Apr-Mar, 2020		Period Ended Apr-Mar, 2019	
(A) CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit before taxes		**2,69,48,303**		35,12,751
Adjustments for:				
Depreciation and amortisation expense	4,45,08,394		10,33,017	
Finance costs	1,67,57,481		-	
Finance Income	(5,83,332)		(1,27,622)	
Exchange (Gain)/Loss on revaluation of assets and liabilities (excl loans and derivatives)	(5,94,489)		4,82,431	
Provision for retirement benefits	3,26,030		1,16,190	
Provision for bad and doubtful debts	1,34,511			
		6,05,48,595		**15,04,015**
Operating profit before working capital changes		**8,74,96,898**		**50,16,766**
Adjustments for:				
Movements in trade and other receivables	(3,10,10,428)		(7,96,33,227)	
Movements in trade and other payables	2,34,54,025		5,58,19,806	
Movements in retirement benefit assets/obligations	(28,399)		(7,834)	
		(75,84,802)		**(2,38,21,256)**
Cash generated from operations		**7,99,12,096**		**(1,88,04,490)**
Taxes paid (excluding dividend tax)		(1,25,97,689)		(1,43,95,959)
Net cash from/(used in) operating activities		**6,73,14,407**		**(3,32,00,449)**
(B) CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(49,99,550)		(8,04,636)	
Interest received from external investments / agencies (Bank etc.)	5,79,153		1,27,622	
Net cash from/(used in) Investing Activities		**(44,20,397)**		**(6,77,014)**
(C) CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from issue of equity shares	-		3,85,00,000	
Repayment of principle portion of lease liabilities	(3,74,78,055)		-	
Interest paid on lease liabilities	(1,55,29,633)		-	
Interest paid	-		-	
Net Cash from/(used in) Financing Activities		**(5,30,07,688)**		**3,85,00,000**
(D) Net increase/(decrease) in cash and cash equivalents		**98,86,322**		**46,22,537**
(E) Opening cash and cash equivalents (Refer Note 8)		**48,12,627**		**1,90,090**
(F) Closing cash and cash equivalents (Refer Note 8)		**1,46,98,949**		**48,12,627**

In terms of our report attached
For AMK & Associates
Chartered Accountants
FRN:327817E

BHUPENDRA KUMAR BHUTIA
Digitally signed by BHUPENDRA KUMAR BHUTIA
Date: 2020.05.12 20:21:31 +05'30'

Bhupendra Kumar Bhutia
Partner
Membership No - 059363

For and on behalf of the Board of Directors

Ranganath Raghupathy Rao
Chairman
(DIN:06725337)

Sandeep Bhattacharya
Managing Director
(DIN:07071894)

Neha Rekhi

Neha Rekhi
Chief Financial Officer

Shamita Sinha Mahapatra
Company Secretary

Kolkata, 12th May' 2020

1. COMPANY INFORMATION

Kalimati Global Shared Services Limited (“the Company”) is a public limited Company incorporated in India with its registered office in Kolkata, West Bengal, India.

The Company was incorporated on 8th January 2018 with the main object of providing consultancy and other related services.

The functional and presentation currency of the Company is Indian Rupee (“₹”) which is the currency of the primary economic environment in which the Company operates.

As on March 31, 2020, Tata Steel Utilities and Infrastructure Services Limited (formerly known as Jamshedpur Utilities & Services Company Limited (JUSCO)) owns 100% of the Ordinary shares of the Company, and has the ability to influence the Company’s operations.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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.

(b) Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

(c) Property, plant and equipment

An item of property, plant and equipment is recognized as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognized. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalized. Borrowing costs incurred during the period of construction is capitalized as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognized in the statement of profit and loss.

(d) Intangible assets (excluding goodwill)

Patents, trademarks and software costs are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on patents, trademarks and software are expensed in the statement of profit and loss as and when incurred.

Expenditure on research activities is recognized as an expense in the period in which it is incurred. Costs incurred on individual development projects are recognized as intangible assets from the date when all of the following conditions are met:

(i) completion of the development is technically feasible.
(ii) it is the intention to complete the intangible asset and use or sell it.
(iii) ability to use or see the intangible asset.
(iv) it is clear that the intangible asset will generate probable future economic benefits.
(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible assets are available and;
(vi) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria no longer applicable.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.

Subsequent, to initial recognition, intangible assets with definite useful lives are reported at cost less accumulated amortization and accumulated impairment losses.

(e) Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

Depreciation on assets under construction commences only when the assets are ready for their intended use. The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

	Estimated useful life (years)
Plant and Machinery	4 to 6 years
Vehicles	5 years
Furniture, Fixtures and Office Equipments	4 to 6 years
Computer Software	5 years

Freehold land is not depreciated

(f) Impairment

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

(g) Leases

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the same to all lease contracts existing on April 1, 2019 using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to those leases. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

On April 1, 2019, the Company recognized lease liabilities (discounted at the incremental borrowing rates at that date) and right-of-use assets for an amount of ₹18,00,11,899.

The Company has applied exemptions prescribed in Ind AS 116 “Leases” to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. 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 comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured 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, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

The Company accounts for sale and lease back transaction, recognising right of use assets and lease liability, measured in the same way as other right of use assets and lease liability. Gain or loss on the sale transaction is recognised in the statement of profit and loss.

The Company as lessor

(i) Operating lease – Rental income from operating leases is recognised in the statement of profit and loss on a straight- line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

(ii) Finance lease – When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

(h) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Effective interest method

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

(a) Financial assets

Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.
Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognizes life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized. Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralised borrowing for the proceeds received.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.
Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(i) Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date.

(j) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spare parts are carried at lower of cost and net realizable value.

(k) Provisions

Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.
Constructive obligation is an obligation that derives from an entity’s actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and;
(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

(l) Income taxes

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognized as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

(m) Revenue

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Sale of services
Revenue from business process services contracts priced on the basis of time and material or unit of delivery is recognized as services are rendered or the related obligation is performed.

Interest income
Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(n) Foreign currency transactions and translations

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.
Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

(o) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is recognized in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortized over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

(p) Earnings per Share (EPS)

Basic EPS are calculated by dividing the profit or loss for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

The company did not have any potentially dilutive securities during the period.

(q) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns, internal organisation, management structure and the internal performance reporting systems to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Company. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company.

(r) Recent Accounting Pronouncements

Amendments to the ‘Definition of material’ in Ind AS 1 “Presentation of Financial Instruments” and Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The amendments are intended to make the definition of material in Ind AS 1 “Presentation of Financial Instruments” easier to understand and are not intended to alter the underlying concept of materiality under Ind AS. The concept of ‘obscuring’ material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from ‘could influence’ to ‘could reasonably be expected to influence’.

The definition of material in Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” has been replaced by a reference to the definition of material in Ind AS 1.

The Company shall apply these amendments prospectively for annual reporting periods beginning on or after April 1, 2020.

3. INTANGIBLE ASSETS

(Amount in ₹)

	Software Costs	Total
Cost as at April 1, 2019	56,34,636	56,34,636
Additions	1,69,550	1,69,550
Cost as at March 31, 2020	**58,04,186**	**58,04,186**
Accumulated amortisation as at April 1, 2019	10,33,017	10,33,017
Charge for the period	11,91,921	11,91,921
Accumulated amortisation as at March 31, 2020	**22,24,938**	**22,24,938**
Net carrying value as at April 1, 2019	46,01,619	46,01,619
Net carrying value as at March 31, 2020	**35,79,248**	**35,79,248**

(Amount in ₹)

	Software Costs	Total
Cost as at April 1, 2018	-	-
Additions	56,34,636	56,34,636
Cost as at March 31, 2019	56,34,636	56,34,636
Accumulated amortisation as at April 1, 2018	-	-
Charge for the period	10,33,017	10,33,017
Accumulated amortisation as at March 31, 2019	10,33,017	10,33,017
Net carrying value as at April 1, 2018	**-**	**-**
Net carrying value as at March 31, 2019	**46,01,619**	**46,01,619**

(i) Software cost represents the cost incurred for purchase of company’s ERP platform.

4. RIGHT OF USE ASSETS

Significant leasing arrangements include lease of office space and assets dedicated for use.

(Amount in ₹)

	Right of Use Buildings	Right of Use Furniture and fixtures	Total
Cost as at April 1, 2019	-	-	-
Additions	12,02,37,424	5,97,74,475	18,00,11,899
Cost as at March 31, 2020	**12,02,37,424**	**5,97,74,475**	**18,00,11,899**
Accumulated depreciation as at April 1, 2019	-	-	-
Charge for the period	2,89,32,871	1,43,83,602	4,33,16,473
Accumulated depreciation as at March 31, 2020	**2,89,32,871**	**1,43,83,602**	**4,33,16,473**
Net carrying value as at April 1, 2019	-	-	-
Net carrying value as at March 31, 2020	**9,13,04,553**	**4,53,90,873**	**13,66,95,426**

(a) During the period ended March 31, 2020 the expense recognized in the statement of profit and loss includes:

(i) Short-term lease expense of ₹97,47,198 with regard to IT Lease Rentals (Previous Year: ₹65,63,646)

(ii) Variable lease expense not forming part of lease liability of ₹75,07,936 (Previous Year: ₹4,82,31,500)

5. OTHER FINANCIAL ASSETS

A. NON-CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Security deposits		
Unsecured, considered good	1,64,00,958	1,64,18,958
	1,64,00,958	**1,64,18,958**

B. CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Interest accrued on deposits and loans		
Unsecured, considered good	4,179	-
	4,179	**-**
(b) Other loans & Advances		
Unsecured, considered good	5,625	1,09,925
	5,625	**1,09,925**
	9,804	**1,09,925**

6. DEFERRED TAX ASSETS

Components of deferred tax assets and liabilities as at March 31, 2020 is as below:

(Amount in ₹)

	Balance as at April 1, 2019	Recognised/(reversed) in statement of profit and loss during the year	Recognised in other comprehensive income during the year	Recognised in equity during the year	Balance as at March 31, 2020
Deferred tax assets/(liabilities):					
Tax-Loss carry forwards	-	-	-	-	-
Retirement Benefit assets	33,360	(33,360)	-	-	-
Other un-used tax credits	12,520	(4,969)	-	-	7,550
MAT Credit entitlement	2,33,197	(2,33,197)	-	-	-
Impact of change in tax rate	32,946	(32,946)	-	-	-
Provision of Leave Salary	28,697	18,681	-	-	47,379
Lease liability impact	-	17,78,438	-	-	17,78,438
	3,40,720	**14,92,647**	-	-	**18,33,367**
Deferred tax liabilities:					
Depreciation	1,04,504	55,255	-	-	1,59,759
	1,04,504	**55,255**	-	-	**1,59,759**
Net Deferred tax assets/(liabilities)	**2,36,216**	**14,37,392**	-	-	**16,73,608**
Disclosed as:					
Deferred tax assets	**16,73,608**				
Deferred tax liabilities	-				

Components of deferred tax assets and liabilities as at March 31,2019 is as below:

(Amount in ₹)

	Balance as at April 1, 2018	Recognised/(reversed) in statement of profit and loss during the year	Recognised in other comprehensive income during the year	Recognised in equity during the year	Balance as at March 31, 2019
Deferred tax assets/(liabilities):					
Tax-Loss carry forwards	4,56,985	(4,56,985)	-	-	-
Retirement Benefit assets	-	33,360	-	-	33,360
Other un-used tax credits	16,693	(4,173)	-	-	12,520
MAT Credit entitlement	-	2,33,197	-	-	2,33,197
Impact of change in tax rate	-	32,946	-	-	32,946
Provision of Leave Salary	-	28,697	-	-	28,697
	4,73,678	**(1,32,958)**	-	-	**3,40,720**
Deferred tax liabilities:					
Depreciation	-	1,04,504	-	-	1,04,504
	-	**1,04,504**	-	-	**1,04,504**
Net Deferred tax assets/(liabilities)	**4,73,678**	**(2,37,462)**	-	-	**2,36,216**
Disclosed as:					
Deferred tax assets	**2,36,216**				
Deferred tax liabilities	-				

7. TRADE RECEIVABLES

CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Considered good - Secured	-	-
Considered good - Unsecured	9,29,91,115	5,91,33,049
Credit Impaired	1,34,511	-
Allowance for Bad & Doubtful Debts	1,34,511	-
	9,29,91,115	**5,91,33,049**

(i) There are no outstanding receivable debts due from directors or other officers of the company.

8. CASH AND CASH EQUIVALENTS

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Cash in hand	961	3,499
(b) Unrestricted balances with banks	1,46,97,988	48,09,128
	1,46,98,949	**48,12,627**

(i) There are no repatriation restrictions with regard to cash and cash equivalents at the end of the reporting period. The cash and cash equivalent are denominated and held in Indian rupees.

9. OTHER NON – FINANCIAL ASSETS

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Advance with public bodies	15,10,342	37,75,703
	15,10,342	**37,75,703**

(i) Advance with public bodies includes Goods & Service Tax (Net) Receivable.

10. EQUITY SHARE CAPITAL

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Authorised:		
1,50,00,000 Ordinary Shares of Rs.10 each (31.03.2019: 150,00,000 Shares of Rs 10 each)	15,00,00,000	15,00,00,000
	15,00,00,000	**15,00,00,000**
40,00,006 Ordinary Shares of Rs.10 each (31.03.2019: 40,00,006 Shares of Rs 10 each)	4,00,00,060	4,00,00,060
	4,00,00,060	**4,00,00,060**
Subscribed:		
40,00,006 Ordinary Shares of Rs.10 each (31.03.2019: 40,00,006 Shares of Rs 10 each)	4,00,00,060	4,00,00,060
	4,00,00,060	**4,00,00,060**

MOVEMENT IN EQUITY SHARE CAPITAL

	As at March 31, 2020		As at March 31, 2019	
	No of Equity Shares	Equity Share Capital (Amount in ₹)	No of Equity Shares	Equity Share Capital (Amount in ₹)
Balance at the beginning of the year	**40,00,006**	**4,00,00,060**	**1,50,006**	**15,00,060**
Shares issued during the period	-	-	38,50,000	3,85,00,000
Balance at the end of the period	**40,00,006**	**4,00,00,060**	**40,00,006**	**4,00,00,060**

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

The company is a wholly owned subsidiary of Tata Steel Utilities and Infrastructure Services Limited (formerly known as Jamshedpur Utilities and Services Company Limited) and more than 5% of the shares are held by the parent company.

(ii) Rights and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

11. OTHER EQUITY

RETAINED EARNINGS

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Retained Earnings	1,99,15,116	1,27,961
	1,99,15,116	**1,27,961**

Reconciliation of Retained Earnings

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Opening Balance	**1,27,961**	**(24,63,641)**
Profit/ (loss) for the period	1,98,15,554	25,99,436
Other Comprehensive income	(28,399)	(7,834)
Total Comprehensive income	**1,97,87,155**	**25,91,602**
Closing Balance	**1,99,15,116**	**1,27,961**

12. BORROWINGS

NON-CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Unsecured		
(i) Lease liabilities	10,34,82,992	-
	10,34,82,992	**-**

(a) The Lease liability represent the impact of IND AS - 116 with regard to office premises rent now considered as Leases.

(b) Maturity analysis of lease liabilities:

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
Not later than 1 year	4,02,78,700	-
Later than 1 year but not later than 5 years	10,34,82,992	-
Later than 5 years	-	-

Note: Not later than 1 year is shown as current maturity of lease liability

13. PROVISIONS

A. NON-CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Employee benefits	2,14,740	1,08,780
	2,14,740	**1,08,780**

B. CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Employee benefits	7,620	6,850
	7,620	**6,850**

(i) Non-current and current provision for employee benefits includes leave salary provision.

(ii) As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance on separation. The Company presents provision for leave salaries as current and non - current based on actuarial valuation considering estimates of availment of leave, separation of employee, etc.

14. RETIREMENT BENEFIT OBLIGATIONS

A. NON CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Retiring Gratuity	4,41,480	1,15,760
	4,41,480	**1,15,760**

B. CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Retiring Gratuity	**740**	**430**
	740	**430**

15. TRADE PAYABLES

CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Creditors for supplies and services	6,26,25,422	3,60,47,169
(b) Creditors for accrued wages and salaries	1,33,26,060	1,66,86,928
	7,59,51,482	**5,27,34,097**

(i) Creditors for accrued wages and salaries includes amount payable to Tata Steel Ltd for deputed employees ₹93,19,290. (Previous Year: ₹1,47,58,177)

(ii) Details relating to Micro, Small and Medium Enterprises:

a) Principal amount remaining unpaid at the end of the year: **Nil**
b) Interest amount remaining unpaid at the end of the year: **Nil**
c) Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier: **Nil**
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006: **Nil**
e) The amount of interest accrued and remaining unpaid at the end of each accounting year: **Nil**
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006: **Nil**

16. OTHER FINANCIAL LIABILITIES

CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Current maturities of lease liabilities	4,02,78,700	-
(b) Creditors for other liabilities		
Creditors for capital supplies/services	-	48,30,000
	4,02,78,700	**48,30,000**

17. OTHER NON-FINANCIAL LIABILITIES

CURRENT

(Amount in ₹)

	As at March 31, 2020	As at March 31, 2019
(a) Statutory Dues	50,14,176	48,84,266
	50,14,176	**48,84,266**

(i) Statutory dues primarily relate to payables in respect of Tax Deducted at Source.

18. REVENUE FROM OPERATIONS

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Sale of services	35,54,41,672	20,13,48,474
	35,54,41,672	**20,13,48,474**

Geography Wise:

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) India	32,15,26,497	17,72,77,715
(b) Outside India	3,39,15,175	2,40,70,759
	35,54,41,672	**20,13,48,474**

19. OTHER INCOME

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Finance income		
(i) Interest received on sundry advances, deposits, customers' balances etc	5,83,332	1,27,622
(b) Other miscellaneous income	2,081	3,372
	5,85,413	**1,30,994**

20. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Salaries and wages	12,14,52,659	6,25,54,389
(b) Contribution to provident and other funds	10,59,983	4,40,496
	12,25,12,642	**6,29,94,885**

(i) Salaries and wages includes deputation cost of employees from Tata Steel Ltd (including key managerial personnel of the company) ₹10,24,90,879 (Previous Year: ₹5,49,47,865). The post-employment benefits of those employees are taken care by Tata Steel Ltd.

(ii) The Company has recognized in the statement of profit and loss for the current period an amount of ₹1,13,29,726 as expense under the following kind of employee benefits with respect to Key managerial personnel

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Short Term Benefits- Salary including leave	1,13,29,726	1,33,90,415
	1,13,29,726	**1,33,90,415**

21. FINANCE COSTS

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
Interest expenses on:		
(a) Finance charges on leases	1,67,57,481	-
	1,67,57,481	**-**

22. DEPRECIATON AND AMORTISATION EXPENSES

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Depreciation on tangible assets	4,33,16,473	-
(b) Amortisation of intangible assets	11,91,921	10,33,017
	4,45,08,394	**10,33,017**

23. OTHER EXPENSES

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a) Purchase of power	17,19,451	11,51,255
(b) Rent	57,88,485	4,70,80,245
(c) Rates and taxes	-	1,03,74,460
(d) Consultancy Charges	10,43,03,672	4,88,84,979
(e) Licenses & Fees	35,510	1,10,824
(f) Auditors remuneration	66,000	60,000
(g) IT Lease Rentals	97,54,747	65,63,646
(h) IT Expenses	37,89,805	46,14,653
(i) House Keeping Expenses	21,95,530	11,24,524
(j) Administrative Expenses	26,56,297	74,20,385
(k) Mailroom Expenses	25,60,188	50,000
(l) Security Expenses	22,80,713	16,62,492
(m) Telecom Expenses	7,47,741	63,497
(n) Training/Seminar/Conference Expenses	16,31,106	10,29,963
(o) Manpower Contracting Expenses	16,63,276	4,60,702
(p) Allowance for Bad & Doubtful Debts	1,34,511	-
(q) Travelling Expenses	54,38,747	23,51,788
(r) Loss/ (Gain) On Foreign Currency Transactions(Net)	(5,94,489)	4,82,431
(s) Others	11,28,975	4,52,971
	14,53,00,265	**13,39,38,815**

23. OTHER EXPENSES (contd.)

(i) Other Expenses include variable lease expense not forming part of lease liability amounting ₹75,07,936 classified under Rent ₹57,88,485 and Purchase of power ₹17,19,451. (Previous Year: ₹4,82,31,500)
(ii) Consultancy charges include ₹10,16,45,000 provided by Tata Consultancy Services Limited for rendering accounting services to Tata Steel Limited. (Previous Year: ₹2,83,30,000)

DETAILS OF PAYMENT TO AUDITORS

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
Payment to Auditor		
As auditor:		
(i) Audit Fee	55,000	50,000
(ii) Tax Audit Fee	11,000	10,000
Total Payment to Auditors	**66,000**	**60,000**

24. TAX EXPENSE

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
Current tax		
in respect of current year	85,69,211	6,75,853
in respect of previous year	931	-
Deferred tax		
in respect of current year	(15,06,954)	2,37,462
in respect of previous year	69,561	-
Total tax expense recognised in the current year	**71,32,749**	**9,13,315**

As per the Income Tax Act, 1961, the Company is liable to pay income tax based on higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT). MAT paid in excess of regular income tax during a year can be carried forward for a period of fifteen years and can be offset against future tax liabilities arising from regular income tax. In the previous financial year, the company's tax liability was as per MAT.

As per the recent Taxation Laws (Amendment) Ordinance, 2019 the company has exercised the option to pay tax at a lower rate of 22%. The Ordinance also amended the relevant section governing MAT provisions and provide that companies opting for new tax rate would not be governed by MAT. The company has adopted the new tax rate starting this financial year and subsequently has forgone its brought forward MAT Credit Entitlement.

The Company can claim tax exemptions/deductions under specific sections of the Income Tax Act, 1961 subject to fulfilment of prescribed conditions, as may be applicable.
Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

24. TAX EXPENSE (Contd.)

The tax expense for the current period can be reconciled to the accounting profit as follows:

(Amount in ₹)

	Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
Profit/(Loss) before tax from continuing operations	2,69,48,303	35,12,751
Tax expense at statutory income tax rate of 25.168 % (2018-19: 26%)	67,82,350	9,13,315
Tax expense calculated @ 20.58%-MAT	-	-
Allowable deduction as per income tax	(19,373)	-
Mat Credit Entitlement Reversal	2,28,763	-
Disallowable deduction as per income tax	72,504	-
Adjustments to deferred tax in respect of prior periods	69,561	-
Adjustments to current tax in respect of prior periods	931	-
Impact of change in statutory rates	(1,987)	-
Total tax expense recognised in the current year	**71,32,749**	**9,13,315**

25. EARNINGS PER SHARE

		Period Ended Apr-Mar, 2020	Period Ended Apr-Mar, 2019
(a)	Profit/ (loss) after tax (₹)	1,98,15,554	25,99,435
	Profit/ (loss) attributable to Ordinary Shareholders- for Basic and Diluted EPS (₹)	**1,98,15,554**	**25,99,435**
		Nos.	**Nos.**
(b)	Weighted average number of Ordinary Shares for Basic EPS	40,00,006	33,58,339
	Weighted average number of Ordinary Shares for Diluted EPS	40,00,006	33,58,339
(c)	Nominal value of Ordinary Shares (₹)	10.00	10.00
(d)	Basic and Diluted Earnings per Ordinary Share (₹)	4.95	0.77

26. CONTINGENT LIABILITIES & OTHER SIGNIFICANT LITIGATIONS

As at 31st March 2020, the Company does not have any contingent liability or significant litigation.

27. EMPLOYEE BENEFITS

A. DEFINED BENEFIT PLANS

(a) Retiring Gratuity

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

(i) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

(ii) Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(iii) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(b) Other Defined Benefits

The Leave scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the accumulated leave balances and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

(i) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(iii) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(iv) Change in Leave Balances: This is the risk of variability of results due to a significant variation from expected accumulation of leave balances. All other aspects remaining same, higher than expected increase in the leave balances will increase the defined benefit obligation.

26. EMPLOYEE BENEFITS (Contd.)
B. DETAILS OF DEFINED BENEFIT OBLIGATION AND PLAN ASSETS

(a) Retiring Gratuity :

(i) The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Change in defined benefit obligation		
Obligation at the beginning of the year	1,16,190	-
Current service cost	2,79,130	1,19,913
Net interest on net defined benefitliability / (asset)	8,950	-
Amount Recognised in OCI	37,950	(3,723)
Obligation as at the end of the year	**4,42,220**	**1,16,190**

Amounts recognised in the balance sheet consist of:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Fair Value of plan assets	-	-
Present value of obligation	(4,42,220)	(1,16,190)
Net defined benefit asset/(liability)	**(4,42,220)**	**(1,16,190)**
Recognised as:		
Retirement benefit obligations - Current	**740**	**430**
Retirement benefit obligations - Non Current	**4,41,480**	**1,15,760**

Expenses recognised in the statement of profit and loss consists of:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Employee benefits expense		
Current service cost	2,79,130	1,19,913
Past service cost - plan introduction	-	-
Curtailment cost/ (credit)	-	-
Settlement cost/ (credit)	-	-
Net interest on net defined benefitliability / (asset)	8,950	-
Immediate recognition of (gains)/losses - other than long term employee benefit plan	-	-
	2,88,080	**1,19,913**
Other comprehensive income:		
Acturial (gain)/loss arising during the period	-	(3,723)
Acturial (gain)/loss due to DBO experience	(38,560)	-
Acturial (gain)/loss due to DBO Assumption changes	76,510	-
Return on olan assets (greater)/less than discount rate	-	-
	37,950	**(3,723)**
Expense/gain recognised in the statement of profit and loss	**3,26,030**	**1,16,190**

(ii) Key assumptions used in the measurement of retiring gratuity is as below:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Discount rate (per annum)	**6.75%**	7.70%
Rate of escalation in salary (per annum)	**8.00%**	8.00%

(iii) Weighted average duration of the retiring gratuity obligation is **21** years

(iv) The company expects to contribute ₹ Nil to the plan during the financial year 2020-21

(v) The table below outlines the effect on retiring gratuity obligation in the event of a decrease/increase of 1 % in the assumptions used in FY 2019-20

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹ 80,070, increase by ₹ 1,02,560
Salary escalation	Increase by 1%, decrease by 1%	Increase by ₹ 1,00,210, decrease by ₹ 79,930

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated

26. EMPLOYEE BENEFITS (Contd.)

(b) Other defined benefits:

(i) The following table sets out the amounts recognised in the financial statements in respect of other defined benefits:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Change in defined benefit obligation:		
Obligation as at the beginning of the year	1,15,630	-
Current service cost	1,89,930	1,01,054
Net interest on net defined benefitliability / (asset)	8,160	-
Immediate recognition of (gains)/losses - other than long term employee benefit plan	(71,960)	2,100
Benefits paid	(19,400)	(2,100)
Remeasurement (gain)loss	-	14,576
Obligation as at the end of the year	**2,22,360**	**1,15,630**

Amounts recognised in the balance sheet consist of:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Fair Value of plan assets	-	-
Present value of obligation	(2,22,360)	(1,15,630)
Net defined benefit asset/(liability)	**(2,22,360)**	**(1,15,630)**

Recognised as:

Retirement benefit obligations - Current	**7,620**	**6,850**
Retirement benefit obligations - Non Current	**2,14,740**	**1,08,780**

Expenses recognised in the statement of profit and loss consists of:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Employee benefits expense:		
Current service cost	1,89,930	1,01,054
Past service cost - plan introduction	-	-
Curtailment cost/ (credit)	-	-
Settlement cost/ (credit)	-	-
Net interest on net defined benefitliability / (asset)	8,160	-
Immediate recognition of (gains)/losses - other than long term employee benefit plan	(71,960)	2,100
	1,26,130	**1,03,154**
Other comprehensive income:		
Acturial (gain)/loss arising during the period	-	12,476
Acturial (gain)/loss due to DBO experience	(1,09,650)	2,100
Acturial (gain)/loss due to DBO Assumption changes	37,690	-
Return on plan assets (greater)/less than discount rate	-	-
	-	**14,576**
Expense/gain recognised in the statement of profit and loss	**1,26,130**	**1,17,730**

(ii) Key assumptions used in the measurement of other defined benefit plan is as below:

	Year Ended March 31, 2020	Year Ended March 31, 2019
Discount rate (per annum)	**6.75%**	7.70%
Rate of escalation in salary (per annum)	**8.00%**	8.00%

(iii) Weighted average duration of the retiring gratuity obligation is **21** years

(iv) The table below outlines the effect on other defined benefit plan obligation in the event of a decrease/increase of 1 % in the assumptions used in FY 2019-20

Assumption	Change in assumption	Impact on obligation
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹ 39,440, increase by ₹ 50,830
Salary escalation	Increase by 1%, decrease by 1%	Increase by ₹ 49,670, decrease by ₹ 39,370

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated

28. SEGMENT REPORTING

The Company's operations are predominantly rendering Accounting and Transactional Services. The Company is managed organizationally as a unified entity and according to the management, this is a single segment company as envisaged in "Ind AS 108 – Operating Segments".

Since the Company provides services only to group companies, there are no external customers for the Company. Hence entity wide disclosures required as per "Ind AS 108 – Operating Segments" are not applicable on the Company.

29. FINANCIAL INSTRUMENTS

A. FINANCIAL INSTRUMENTS BY CATEGORY

As at March 31, 2020 **(Amount in ₹)**

	Amortised cost	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Derivative instrument not in hedging relationship	Fair value through statement of profit and loss	Total Carrying value	Total Fair value
Financial assets							
Cash and bank balances	1,46,98,949	-	-	-	-	1,46,98,949	1,46,98,949
Trade recievables	9,29,91,115	-	-	-	-	9,29,91,115	9,29,91,115
Other financial assets	1,64,10,762	-	-	-	-	1,64,10,762	1,64,10,762
	12,41,00,826	**-**	**-**	**-**	**-**	**12,41,00,826**	**12,41,00,826**
Financial liabilities							
Trade and other payables	7,59,51,482	-	-	-	-	7,59,51,482	7,59,51,482
Other financial liabilities	-	-	-	-	-	-	-
	7,59,51,482	**-**	**-**	**-**	**-**	**7,59,51,482**	**7,59,51,482**

As at March 31, 2019 **(Amount in ₹)**

	Amortised cost	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Derivative instrument not in hedging relationship	Fair value through statement of profit and loss	Total Carrying value	Total Fair value
Financial assets							
Cash and bank balances	48,12,627	-	-	-	-	48,12,627	48,12,627
Trade recievables	5,91,33,049	-	-	-	-	5,91,33,049	5,91,33,049
Other financial assets	1,65,28,883	-	-	-	-	1,65,28,883	1,65,28,883
	8,04,74,559	**-**	**-**	**-**	**-**	**8,04,74,559**	**8,04,74,559**
Financial liabilities							
Trade and other payables	5,27,34,097	-	-	-	-	5,27,34,097	5,27,34,097
Other financial liabilities	48,30,000	-	-	-	-	48,30,000	48,30,000
	5,75,64,097	**-**	**-**	**-**	**-**	**5,75,64,097**	**5,75,64,097**

B. FINANCIAL RISK MANAGEMENT

The entity monitors and manages the financial risks relating to the operations of the entity through its risk management policy. These risks include market risk (interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

a) Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

As at 31st March 2020, the Company does not have any market risk.

b) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.
As at 31st March 2020, the Company does not have any credit risk.

c) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

As at 31st March 2020, the Company does not have any liquidity risk as the financial liabilities would be discharged within a year.

30. RELATED PARTY TRANSACTIONS

a) List of related party and relationship

Name of Related Party	Nature of Relationship
Tata Steel Limited	Parent of Holding Company
Tata Steel Utilities and Infrastructure Services Limited (formerly known as Jamshedpur Utilities & Services Company Limited)	Holding Company
T S Global Procurement Pte. Limited	Fellow Subsidiary
Tata Consultancy Services Limited	Tata Sons Subsidiary
Bamnipal Steel Limited	Fellow Subsidiary
Sakchi Steel Limited	Fellow Subsidiary
Noamundi Steel Limited	Fellow Subsidiary
Jugsalai Steel Limited	Fellow Subsidiary
Dimna Steel Limited	Fellow Subsidiary
Bistupur Steel Limited	Fellow Subsidiary
Jamadoba Steel Limited	Fellow Subsidiary
Straight Mile Steel Limited	Fellow Subsidiary

b) Key Management Personnel

Name of Related Party	Nature of Relationship
Mr. Alok Krishna	Managing Director (upto 12th November 2019)
Mr. Sandeep Bhattacharya	Managing Director (from 15th November 2019)
Ms Neha Rekhi	Chief Financial Officer
Mr. Ranganath Raghupathy Rao	Non Executive Director & Chairman of the Board

Mr. Amitava Baksi	Non Executive Director
Ms Atrayee Sanyal	Non Executive Director
Mr. Jayanta Banerjee	Non Executive Director

c) Transaction with related party

Particulars	Period ended Apr-Mar, 2020	Period ended Apr-Mar, 2019
Services Received		
-Parent of Holding Company#	11,61,84,666	7,49,85,286
-Tata Sons Subsidiary	10,16,45,000	2,83,30,000
Services Rendered		
-Parent of Holding Company	32,09,20,100	17,60,60,890
-Fellow Subsidiary	3,45,21,572	2,52,87,584
Re-imbursement of Expenses		
-Parent of Holding Company	40,59,969	1,64,00,958
Purchase of Intangible Asset		
-Parent of Holding Company	1,69,550	-
Expense recognized for Bad Debts		
-Fellow Subsidiary	1,34,511	-

#Services Received from Parent of Holding Company includes Deputation Expenses paid to Key Managerial Personnel: Mr Alok Krishna-₹87,77,457(Previous Year: ₹1,17,40,478) and Ms Neha Rekhi- ₹ 25,52,269 (Previous Year: ₹16,49,937).

d) Outstanding balance with related party

Particulars	As at 31st March, 2020	As at 31st March, 2019
Outstanding Payable		
-Parent of Holding Company	1,65,49,607	3,42,29,724
-Tata Sons Subsidiary	5,04,32,800	58,90,000
Outstanding Receivables		
-Parent of Holding Company	8,87,07,014	5,62,76,777
-Fellow Subsidiary	42,84,101	28,56,272

31. DIVIDEND

The dividend declared by the company is based on profits available for distribution as reported in the financial statements of the Company. In respect of the year ended 31st March, 2020, the Board of Directors in its meeting held on 12th May, 2020 proposed that a dividend of ₹ 1.50 per share be paid on fully paid equity shares. The equity dividend is subject to approval by shareholders in the ensuing Annual General Meeting and has not been included as a liability in the financial statements. If approved, the dividend will result in a cash outflow of ₹ 60 lakh.

32. ESTIMATION OF UNCERTAINTY RELATING TO COVID - 19

The World Health Organization ("WHO") announced a global health emergency because of coronavirus (COVID – 19) and classified its outbreak as a pandemic in March 2020. The Company is committed towards providing uninterrupted services to its client and has actively implemented business continuity plans including the option of working from home facility. In assessing the impact of the pandemic on the Company's operations and performance, the Company has considered internal and external information up to the date of the approval of the financial statements and based on current indicators of future economic conditions, the Management is of the view that it will not be severely impacted. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

33. Previous year figures have been recasted/ restated wherever necessary.