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Independent Auditor's Report

To the Members of Trans American Information Systems Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Trans American Information Systems Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information 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.

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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.

The other information is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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;

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

10. 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.

11. 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.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

14. Further to our comments in Annexure A as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    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 financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

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

    f) we have also audited the internal financial controls with reference to financial statements of the Company as at 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion; and

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

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2020;

   ii. the Company has made provision as at 31 March 2020, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Adi P. Sethna
Partner
Membership No:108440

UDIN:20108840AAAAEY6196

Place: Mumbai
Date: 26 October 2020

Annexure A to the Independent Auditor's Report of even date to the members of Trans American Information Systems Private Limited, on the financial statements for the year ended 31 March 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i) (c) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 of the Act in respect of investments, the company has not entered into any other transaction covered under section 185 and 186 of the Act;

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, goods and service tax, duty of customs and duty of excise that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

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Annexure A (Contd)

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid / provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.

(xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Adi P. Sethna
Partner
Membership No:108440

UDIN:20108840AAAAEY6196

Place: Mumbai
Date: 26 October 2020

Annexure B to the Independent Auditor's Report of even date to the members of Trans American Information Systems Private Limited on the financial statements for the year ended 31 March 2020

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of (Trans American Information Systems Limited) ('the Company') as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

2. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

3. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

4. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

5. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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.

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Annexure B (Contd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

7. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI).

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013

Adi P. Sethna
Partner
Membership No:108440

UDIN:20108840AAAAEY6196

Place: Mumbai
Date: 26 October 2020

TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(₹ in thousands)

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property plant and equipment,net	3(a)	5,858	10,756
Right-of-use assets	3(c)	14,688	-
Intangible assets, net	3(b)	1,307	1,382
Financial assets			
Loans	4	4,820	7,933
Deferred tax assets, net	23(c)	20,879	6,962
Current tax assets,net		3,697	540
Total non-current assets		51,249	27,573
Current assets			
Financial assets			
Investments	5(a)	124,408	83,260
Trade receivables	5(b)	54,702	66,772
Cash and cash equivalents	5(c)	49,043	8,893
Loans	5(d)	3,741	-
Other financial assets	5(e)	2,974	-
Other current assets	6	26,915	14,878
Total current assets		261,783	173,803
Total Assets		313,032	201,376
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	345	345
Other equity	8	181,461	158,779
Total Equity		181,806	159,124
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other non-current financial liabilities	9	23,577	-
Provisions	10	26,074	19,730
Total non-current liabilities		49,651	19,730
Current liabilities			
Financial liabilities			
Trade payables	11(a)		
Dues of micro and small enterprises		-	-
Dues of creditors other than micro and small enterprises		303	3,939
Other financial liabilities	11(b)	73,486	13,654
Other current liabilities	12	6,704	4,120
Provisions	13	1,082	809
Total current liabilities		81,575	22,522
Total Liabilities		131,226	42,252
Total Equity and Liabilities		313,032	201,376

See accompanying notes to the financial statements
This is the Balance Sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: October 26, 2020

WALKER CHANDIOK & Co LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of **TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED**

Rabindar Kumar Mahato
Director
DIN: 00262957

Rakesh Chandra Singh
Director
DIN: 00263089

Place: New Delhi
Date: October 26, 2020

TRANS AMERICAN INFORMATION SYSTEMS PVT LTD

TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in thousands)

	Note	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	14	412,375	411,773
Other income	15	16,409	13,619
Total income		428,784	425,392
EXPENSES			
Employee benefits expenses	16	289,474	296,310
Finance costs	17	2,715	102
Depreciation and amortisation expenses	18	20,051	11,622
Other expenses	19	30,955	49,086
Total expenses		343,195	357,120
Profit before tax and exceptional items		85,589	68,272
Exceptional items - loss	20	29,412	-
Profit before tax		56,177	68,272
Tax expense/(credit)			
Current tax	23(a)	22,521	21,179
Deferred tax		(7,708)	(1,523)
Income tax relating to earlier years		32	(1,677)
Total tax expense		14,845	17,979
Profit after tax for the year		41,332	50,293
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of profit and loss, (losses)/gains:			
Defined benefit plan actuarial gain / (losses)		172	(240)
Income tax relating to above item (expenses) / credit		(91)	67
Items that will be reclassified subsequently to the statement of profit and loss, (losses)/gains:			
Net change in fair value of forward contracts designated as cash flow hedges		(25,031)	-
Income tax relating to above item credit / (expenses)		6,300	-
Total other comprehensive loss for the year, net of taxes		(18,650)	(173)
Total comprehensive income for the year		22,682	50,120
Earnings per equity share	21		
(Equity shares of face value ₹ 10/- each)			
Basic and Diluted (in ₹)		1,197.33	1,456.92

See accompanying notes to the financial statements
This is the Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: October 26, 2020

For and on behalf of the Board of Directors of **TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED**

Rabindar Kumar Mahato
Director
DIN: 00262957

Rakesh Chandra Singh
Director
DIN: 00263089

Place: New Delhi
Date: October 26, 2020

TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(₹ in thousands)

	Year ended	
	March 31, 2020	**March 31, 2019**
Cash flows from operating activities		
Profit for the year	**41,332**	**50,293**
Adjustments:		
Depreciation and amortisation	20,051	11,622
Tax expense	14,845	17,979
Profit on sale of current investments	(5,148)	(3,260)
Interest income on fixed deposits	(1,071)	-
Exceptional item - loss	29,412	-
Finance cost due to Ind AS 116 Adjustment	2,356	-
	101,777	**76,634**
Changes in operating assets and liabilities		
Decrease / (increase) in trade receivables	12,070	(9,000)
(Increase) in loans and advances and other assets	(14,567)	(7,278)
Increase in trade payables, other liabilities and provisions	18,911	19,492
Cash generated from operating activities before taxes	**118,191**	**79,849**
Income taxes (paid)/refund, net	(25,709)	(18,340)
Net cash generated from operating activities	**92,482**	**61,509**
Cash flows from investing activities		
Purchase of property, plant and equipment and software	(2,213)	(10,814)
Purchase of current investments	(106,500)	(85,001)
Proceeds from current investments	70,500	5,000
Net cash (used in) investing activities	**(38,213)**	**(90,815)**
Cash flows from financing activities		
Payment of lease liability	(14,119)	-
Net cash (used in) financing activities	**(14,119)**	**-**
Net increase / (decrease) in cash and cash equivalents during the year	40,150	(29,306)
Cash and cash equivalents at the beginning of the year	8,893	38,199
Cash and cash equivalents at the end of the year	**49,043**	**8,893**

The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS - 7 on Statement of Cash Flow

This is the Statement of Cash Flow referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: October 26, 2020

For and on behalf of the Board of Directors of **TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED**

Rabindar Kumar Mahato
Director
DIN: 00262957
Place: New Delhi
Date: October 26, 2020

Rakesh Chandra Singh
Director
DIN: 00263089

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI

TRANS AMERICAN INFORMATION

TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(a) Equity share capital	(₹ in thousands)
Balance as at April 1, 2018	345
Add: changes in equity share capital	-
Balance as at March 31, 2019	**345**
Balance as at April 1, 2019	345
Add: changes in equity share capital	-
Balance as at March 31, 2020	**345**

(b) Other equity

(₹ in thousands)

Particulars	Reserve and surplus	Other comprehensive income		Total other equity
	Retained earnings	Employee benefit expenses	Fair value of cash flow hedges	
Balance as at April 1, 2018	109,773	(1,114)	-	108,659
Profit for the year	50,293	-	-	50,293
Other comprehensive income/loss (net of taxes)	-	(173)	-	(173)
Balance as at March 31, 2019	**160,066**	**(1,287)**	**-**	**158,779**
Balance as at April 1, 2019	160,066	(1,287)	-	158,779
Profit for the year	41,332	-	-	41,332
Other comprehensive income/loss (net of taxes)	-	81	(18,731)	(18,650)
Balance as at March 31, 2020	**201,398**	**(1,206)**	**(18,731)**	**181,461**

See accompanying notes to the financial statements
This is the Statement of changes in equity referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: October 26, 2020

WALKER CHANDIOK & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors of **TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED**

Rabindar Kumar Mahato
Director
DIN: 00262957

Rakesh Chandra Singh
Director
DIN: 00263089

Place: Mumbai
Date: October 26, 2020

TRANS AMERICAN INFORMATION SYSTEMS PVT. LTD. *

1 Company overview

Trans American Information Systems Private Limited, India, a wholly owned subsidiary of Mastek Limited is a Company with deep routed capability in providing high skilled resources and end-to-end e-commerce services including strategy, creative design, and implementation and managed services having presence in India and supporting TAISTech US Customers.

2 Basis of Preparation and Presentation

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These financial statement of the Company as at and for the year ended March 31, 2020 (including Comparatives) were approved and authorized by the Company's board of directors as on September 9, 2020.

All amounts included in financial statements are reported in Indian Rupees (in thousands) except share and per share data and unless otherwise stated and "0" denotes amounts less than one thousand rupees. The Company has decided not to prepare and present its consolidated financial statements by opting to avail the exemption given under Rule 6 of Companies (Accounts) Rules, 2014 (as amended) read with Section 129(3) of the Companies Act, 2013.

b) Basis of Preparation

The financial statements have been prepared on an accrual basis of accounting and the historical cost convention, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
ii. Defined benefit and other long-term employee benefits, and
iii. Derivative financial instruments

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle. The Company has considered its operating cycle as a period not exceeding 12 months.

c) Use of estimate and judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

(i) Income taxes: Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

(ii) Defined benefit plans and compensated absences: The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Property, plant and equipment: The change in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iv) Expected credit losses on financial assets: On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Deferred taxes: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced.

(vi) Provisions: Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can me made. Provisions (excluding retirement obligation and compensated expenses) are generally not discounted to their present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(vii) Leases: Determining the lease term of contracts with renewal and termination options – Company as lessee

Ind AS 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

When it is reasonably certain to exercise extension option and not to exercise termination option, the Company includes such extended term and ignores termination option in determination of lease term.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind AS 116 calculation purposes.

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(iii) Estimation uncertainties relating to the Pandemic - COVID -19: The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. The Company also assess the effectiveness of hedge transactions and believes that probability of occurrence of the forecasted transaction is not impacted by the pandemic. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports, related information and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ 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.

d) Summary of Significant accounting policies

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee (in thousands), the national currency of India, which is the functional currency of the Company.

(ii) Foreign currency transactions and balances

Foreign currency transactions of the Company and of its integral foreign branch are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities are translated at each reporting date based on the rate prevailing on such date. Gains and losses resulting from the settlement of foreign currency monetary items and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities are continued to be carried at rates of initial recognition.

(iii) Financial instruments

A. Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not recognised at fair value through profit or loss are added to the fair value on initial recognition, transaction costs related to the financial instrument measured at fair value through profit or loss are immediately recognised in statement of profit and loss. Regular purchase and sale of financial assets are recognised on the trade date.

B. Subsequent Measurement

Non-Derivative Financial Instruments

a. Financial Assets Carried at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

b. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

e. Derivative Instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is always a bank. These derivative instruments are designated as cash flow hedges.
The Hedge accounting is discontinued when the hedging instruments are expired or sold, terminated or no longer qualify for hedge accounting. The cumulative gain/loss on the hedging instruments recognised in hedging reserve till the period hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain/loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurence of related forecasted transactions.
Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss.

C. Derecognition of Financial Instruments

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

(iv) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.
The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Category	Useful Life
Computers	2 years
Furniture and fixtures	5 years
Office Equipment	5 years
Leasehold Improvements	5 years or the primary period of lease whichever is less

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation on addition/disposals is calculated pro-rata from the date of such additions/disposals.

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(v) Intangible Assets

Intangibles assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized pro-rata over their respective estimated useful lives on a straight line method. The estimated useful life reflects the manner in which the economic benefit is expected to be generated from that individual asset.
The estimated useful life of amortizable intangibles are reviewed and where appropriate are adjusted, annually.
The estimated useful lives of the amortizable intangible assets for the current and comparative periods are as follows:

Category	Useful Life
Computer Software	1 - 5 years

(vi) Leases

The Company has applied Ind AS 116 with effect from April 1, 2019 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of Use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The company does not have any leases as a lessor.

vii) Impairment of assets

a. Non Financial Instrument

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.
If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

b. Financial instrument

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(viii) Employee Benefits

A. Long Term Employee Benefits

(a) Defined Contribution Plan

The Company has defined contribution plans for post employment benefits in the form of provident fund and employees' state insurance which are administered through Government of India. Under the defined contribution plans, the Company has no further obligation beyond making the contributions. Such contributions are charged to the Statement of Profit and Loss as in the year during which the employee renders the services.

(b) Defined Benefit Plan

The Company has defined benefit plans for post employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.
Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to statement of profit and loss in subsequent periods.

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(c) Other long-term employee benefits

The employees of the Company are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Company. Further, at the time of retirement, death while in employment or on termination of employment leave encashment vests equivalent to salary payable for number of days of accumulated leave balance. Liability for such benefits is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

B) Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

Termination Benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the Statement of Profit and Loss

(ix) Provisions & Contingent Liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain.

(x) Revenue Recognition

The Company derives revenue primarily from Information Technology services which includes IT Outsourcing services, support and maintenance services. The Company recognises revenue over time of period of contract on transfer of control of deliverables (solutions and services) to its customers in an amount reflecting the consideration to which the Company expects to be entitled. To recognise revenues, Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

Company accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Fixed Price contracts related to Application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenues relating to time and material contracts are recognized as the related services are rendered.

IT support and maintenance-

Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised ratably over the period of the contract because the Company transfers the control evenly by providing standard services.

The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the term.

Contracts may include incentives, service penalties and rewards. The Company includes an estimate of the amount it expects to receive for the total transaction price if it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Any modification or change in existing performance obligations is assessed whether the services is adding to the existing contracts or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which the company has an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract liabilities consist of advance payments and billings in excess of revenues recognised.

The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performances obligation and customer payment.

Cost to fulfill the contracts- Recurring operating costs for contracts with customers are recognised as incurred, Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses.

The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts;(ii) onerous obligations;(iii) penalties relating to breaches of service-level agreements, and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

(xi) Income Tax

Tax expense for the year comprises of current tax and deferred tax. Current tax is measured by the amount of tax expected to be paid to the taxation authorities on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws. Deferred tax is recognised on timing differences between the accounting base and the taxable income for the year and quantified using the tax rates and tax laws enacted or substantively enacted as on the Balance Sheet date.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. Current tax and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the asset and liability on a net basis.

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(xii) Other Income

Other income comprises interest income on deposits, gains / (losses) on disposal of investments except investments fair value through OCI. Interest income is recognized using the effective interest method.

(xiii) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity Shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity Shareholders of the Company and the weighted average number of shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.

(xiv) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.

(xv) Finance costs

Finance costs comprises of interest cost on present value of lease payments, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Finance costs that are not directly attributable to a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

(xvi) Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the period, the nature and amount of such material items are disclosed separately as exceptional items.

(xvii) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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(₹ in thousands, unless otherwise stated)

As at March 31, 2020

3(a) Property, plant and equipment

Particulars	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the year	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
(i) Own assets										
Computers	27,052	828	-	27,880	21,682	4,460	-	26,142	1,738	5,370
Furniture and fixtures	1,942	73	-	2,015	1,930	7	-	1,937	78	12
Office equipments	10,170	193	-	10,363	4,796	1,525	-	6,321	4,042	5,374
Total (i)	**39,164**	**1,094**	**-**	**40,258**	**28,408**	**5,992**	**-**	**34,400**	**5,858**	**10,756**
(ii) Leased assets :										
Leasehold improvements	1,399	-	-	1,399	1,399	-	-	1,399	(0)	-
Total (ii)	**1,399**	**-**	**-**	**1,399**	**1,399**	**-**	**-**	**1,399**	(0)	**-**
Total (i + ii)	**40,563**	**1,094**	**-**	**41,657**	**29,807**	**5,992**	**-**	**35,799**	**5,858**	**10,756**

3(b) Other intangible assets

Particulars	Gross Block (at cost)				Amortisation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the year	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Computer software	7,388	1,119	-	8,507	6,006	1,194	-	7,200	1,307	1,382
Total	**7,388**	**1,119**	**-**	**8,507**	**6,006**	**1,194**	**-**	**7,200**	**1,307**	**1,382**

3(c) Right-of-use assets

Particulars	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the year	Deletions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Building	-	27,553	-	27,553		12,865	-	12,865	14,688	-
Total	**-**	**27,553**	**-**	**27,553**	**-**	**12,865**	**-**	**12,865**	**14,688**	**-**

As at March 31, 2019

3(a) Property, plant and equipment

Particulars	Gross Block (at cost)				Depreciation				Net Block	
	As at April 1, 2018	Additions	Deletions	As at March 31, 2019	As at April 1, 2018	For the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
(i) Own assets :										
Computers	21,847	5,205	-	27,052	16,329	5,353	-	21,682	5,370	5,518
Furniture and fixtures	1,942	-	-	1,942	1,921	9	-	1,930	12	21
Office equipments	8,966	1,204	-	10,170	3,349	1,447	-	4,796	5,374	5,617
Total (i)	**32,755**	**6,409**	**-**	**39,164**	**21,599**	**6,810**	**-**	**28,408**	**10,756**	**11,156**
(ii) Leased assets :										
Leasehold improvements	1,399	-	-	1,399	1,399	-	-	1,399	-	-
Total (ii)	**1,399**	**-**	**-**	**1,399**	**1,399**	**-**	**-**	**1,399**	**-**	**-**
Total (i + ii)	**34,154**	**6,409**	**-**	**40,563**	**22,998**	**6,810**	**-**	**29,807**	**10,756**	**11,156**

3(b) Other intangible assets

Particulars	Gross Block (at cost)				Amortisation				Net Block	
	As at April 1, 2018	Additions	Deletions	As at March 31, 2019	As at April 1, 2018	For the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computer software	2,983	4,405	-	7,388	1,195	4,812	-	6,006	1,382	1,788
Total	**2,983**	**4,405**	**-**	**7,388**	**1,195**	**4,812**	**-**	**6,006**	**1,382**	**1,788**

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TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED
Notes to the Financial Statements for year ended March 31, 2020
(₹ in thousands, unless otherwise stated)

Non-current assets
4 Financial assets

Loans	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	4,820	7,933
	4,820	**7,933**

Current assets
5 Financial assets

a. Investments	March 31, 2020 Units	March 31, 2020 Amount	March 31, 2019 Units	March 31, 2019 Amount
i) Investments in mutual funds (unquoted - FVTPL):				
Aditya Birla Sun Life Liquid Fund-Growth	68,864	21,881	219,118	65,517
Aditya Birla Sun Life Money Manager Fund-Growth	166,182	44,729	70,893	17,743
HDFC Money Market Fund - Growth	4,264	17,798	-	-
Total (A)		**84,408**		**83,260**
ii) Investment in term deposit (unquoted - Cost):				
Term deposit with Bajaj Finance Limited		40,000		-
Total (B)		**40,000**		-
Total (A + B)		**124,408**		**83,260**

b. Trade receivables	As at March 31, 2020	As at March 31, 2019
Unsecured		
Considered Good	54,702	66,772
	54,702	**66,772**

c. Cash and cash equivalents	As at March 31, 2020	As at March 31, 2019
Cash on hand	-	18
Bank balances		
In current accounts	49,043	8,875
	49,043	**8,893**

d. Loans	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Security deposits	3,741	-
	3,741	-

e. Other financial assets	As at March 31, 2020	As at March 31, 2019
Advances to employees	1,903	-
Interest accrued on fixed deposits	1,071	-
	2,974	-

6 Other current assets	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	875	544
Prepaid rent	1,262	1,899
Input tax credit receivable	22,279	12,435
Advances to suppliers	1,471	-
Unbilled revenue	1,028	-
	26,915	**14,878**

7 Equity share capital	As at March 31, 2020	As at March 31, 2019
Authorised:		
1,00,000 (March 31, 2019: 1,00,000) equity shares of Rs. 10/- each	1,000	1,000
	1,000	**1,000**
Issued, subscribed and fully paid up :		
34,520 (March 31, 2019: 34,520) equity shares of Rs. 10/- each fully paid	345	345
	345	**345**

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(a) Reconciliation of the number of equity shares outstanding at the beginning and end of the year are as given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	34,520	345	34,520	345
Add: Addition on account of issue of shares	-	-	-	-
Balance as at the end of the year	34,520	345	34,520	345

(b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a face value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of the Shareholder's	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Mastek Limited - Holding Company	34,519	99.99%	34,519	99.99%

		As at	
		March 31, 2020	March 31, 2019
8	Other equity		
a.	Retained earnings Retained earnings comprises of the prior year's undistributed earning after taxes	201,398	160,066
b.	Other item of other comprehensive income Other item of other comprehensive income consist of FVOCI financial assets and financial liabilities and remeasurement of defined benefit assets and liabilities	(19,937)	(1,287)
		181,461	158,779

Non-current liabilities

Financial liabilities

		As at	
		March 31, 2020	March 31, 2019
9	Other financial liabilities		
	Lease liability (Refer Note 29(ii))	6,327	-
	Foreign exchange forward contract	17,250	-
		23,577	-

		As at	
		March 31, 2020	March 31, 2019
10	Provisions		
	Provision for employee benefits		
	Provision for gratuity (Refer Note 22)	24,366	19,730
	Provision for leave entitlement	1,708	-
		26,074	19,730

Current liabilities

Financial liabilities

		As at	
		March 31, 2020	March 31, 2019
11(a)	Trade payables		
	Trade payables		
	Dues of micro and small enterprises (Refer note 30)	-	-
	Dues of creditors other than micro and small enterprises	303	3,939
		303	3,939

		As at	
		March 31, 2020	March 31, 2019
11(b)	Other financial liabilities		
	Lease liability (Refer Note 29(ii))	9,463	-
	Employee benefits payable	16,500	11,629
	Accrued expenses	7,331	2,025
	Reimbursable expenses payable	32,411	-
	Foreign exchange forward contract	7,781	-
		73,486	13,654

		As at	
		March 31, 2020	March 31, 2019
12	Other current liabilities		
	Statutory dues (including stamp duty, provident fund and tax deducted at source)	6,704	4,120
		6,704	4,120

		As at	
		March 31, 2020	March 31, 2019
13	Provisions		
	Provision for employee benefits		
	Provision for leave entitlement	1,082	809
		1,082	809

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	For the year ended	
14 Revenue from operations	March 31, 2020	March 31, 2019
Information technology services	412,375	411,773
	412,375	411,773

	For the year ended	
15 Other income	March 31, 2020	March 31, 2019
Interest income - on fixed deposits	1,071	-
Interest income - on income tax refunds	-	123
Profit on sale of current investments	5,148	3,260
Net gain on foreign currency transactions and translation	7,604	5,256
Others	2,586	4,980
	16,409	13,619

	For the year ended	
16 Employee benefits expenses	March 31, 2020	March 31, 2019
Salaries, wages and performance incentives	272,472	277,298
Gratuity (Refer Note 22)	7,120	6,143
Contribution to provident and other funds	4,707	4,276
Staff welfare expense	5,175	8,593
	289,474	296,310

	For the year ended	
17 Finance costs	March 31, 2020	March 31, 2019
Interest on operating lease	2,356	-
Bank charges	359	102
	2,715	102

	For the year ended	
18 Depreciation and amortisation expenses	March 31, 2020	March 31, 2019
Depreciation on tangible assets	5,992	6,810
Right-of-use assets	12,865	-
Amortisation on intangible assets	1,194	4,812
	20,051	11,622

	For the year ended	
19 Other expenses	March 31, 2020	March 31, 2019
Recruitment and training expenses	34	146
Travelling and conveyance	8,912	13,327
Communication charges	3,678	3,519
Electricity	1,527	1,713
Purchase of hardware and software	1,900	-
Consultancy and sub-contracting charges	48	-
Audit Fee (Refer note 31)	113	110
Repairs- building and others	5,765	6,053
Insurance	130	77
Printing and stationery	60	154
Professional fees	3,579	1,186
Rent	2,362	16,073
Advertisement and publicity	5	-
Hire charges	525	-
Expenditure towards corporate social responsibility (CSR) activities (Refer Note 34)	1,144	800
Miscellaneous expenses	1,173	5,928
	30,955	49,086

	For the year ended	
20 Exceptional items - loss	March 31, 2020	March 31, 2019
Legal and professional cost*	29,412	-
Total	29,412	-

*Legal and professional cost relates to a business combination consummated during February 2020. (Refer note 32).

	For the year ended	
21 Earnings Per Share (EPS)	March 31, 2020	March 31, 2019
The components of basic and diluted earnings per shares are as follows:		
(a) Net income attributable to equity shareholders	41,332	50,293
(b) Weighted average number of outstanding equity shares Considered for basic and diluted EPS	34,520	34,520
(c) Earnings per share (net of taxes) in Rs. (Face value per share Rs. 10/- each) Basic and Diluted (in Rs.)	1,197.33	1,456.92

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22 Employee benefit plans

a] Amount recognized in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
Gratuity cost		
Service cost	5,680	5,140
Net interest on net defined liability	1,440	1,003
Past service cost	-	-
Net gratuity cost	**7,120**	**6,143**
Actuarial gain / (loss) charged to Other Comprehensive Income	172	(240)
Interest rate	6.85%	7.9%
Salary increase	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Mortality rate is considered as per the published rates under the Indian Assured Lives Mortality (2012-14) Ult Table. Attrition rate is considered 7% per annum at all ages.

The following table sets out the status of gratuity plan.

Particulars	As at	
	March 31, 2020	March 31, 2019
Obligation at the beginning of the year	22,151	16,291
Service cost	5,680	5,140
Past service cost	-	-
Interest cost	1,706	1,278
Actuarial loss- financial assumption	2,989	247
Actuarial (gain)- experience	(3,249)	(120)
Actuarial loss- demographic assumptions	-	1
Benefits paid	(2,312)	(686)
Obligation at the end of the year	**26,965**	**22,151**
Change in plan assets (maintained by LIC)		
Plan assets at the beginning of the year, at fair value	2,421	2,257
Employer contribution	2,312	686
Interest income on plan assets	266	275
Remeasurement on plan assets less interest on plan assets	(88)	(112)
Benefits paid	(2,312)	(686)
Plan assets at the end of the year, at fair value	**2,599**	**2,420**

Amounts recognised in the Balance Sheet

Particulars	As at	
	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	26,965	22,151
Fair value of plan assets	2,599	2,420
(Liability) recognized	(24,366)	(19,730)

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

Particulars	As at	
	March 31, 2020	March 31, 2019
Experience adjustment on plan liabilities - gain / (loss)	260	(128)
Experience adjustment on plan assets - (loss)	(88)	(112)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at			
	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (50 bps)	(1,406)	1,721	(1,194)	1,300
Salary Growth (50 bps)	1,658	(1,378)	1,026	(981)

Maturity profile of defined benefit obligation:

Particulars	As at	
	March 31, 2020	March 31, 2019
1 Year	1,323	1,111
2 Year	1,533	1,292
3 Year	1,693	1,511
4 Year	1,797	1,628
5 Year	1,841	1,692
6 Year	2,640	1,724
7 Year	1,838	2,496
8 Year	1,864	1,722
9 Year	2,449	1,750
10 Year and beyond	53,581	52,916

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i) The Company has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. Expected contribution to the Fund in FY 2020-21 is Rs. 3,000. (FY 2019-20 Rs. 3,000)
ii) Plan assets are invested in unquoted insurer managed funds.

b] Defined contribution plan
The Company contributed Rs. 4,707 for the year ended March 31, 2020 (Rs.4,276 March 31, 2019) for the defined contribution plan.

23 Income Taxes

a) Income tax expense/ (credit) in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	22,521	21,179
Income tax relating to earlier years	32	(1,677)
Deferred tax	(7,708)	(1,523)
Income tax expense recognised in the statement of profit or loss	14,845	17,979
Income tax credit recognised in other comprehensive income	6,209	67

b) The reconciliation between the provision of income tax of the company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	56,177	68,272
Enacted income tax rate in India	25.17%	27.82%
Computed expected tax expense	14,140	18,993
Effect of:		
Income tax charge/write back for earlier years	32	(1,677)
Impact of deferred tax due to change in income tax rate	667	14
Expenses that are not deductible in determining taxable profit	6	649
Total income tax expense recognised in the statement of profit and loss	14,845	17,979

c) **Deferred tax assets/ (liabilities) as at March 31, 2020 and March 31, 2019 in relation to:**

Particulars	As at March 31,2020	As at March 31,2019
Property, plant and equipment	2,312	2,158
Provision for compensated absence/gratuity	6,835	5,714
Acquisition expenses	5,922	-
Others	5,810	(910)
Total	20,879	6,962

24 Related Party Disclosures, as per Ind AS 24

Relationships have been disclosed where transactions have taken place and relationships involving controls:

Name of Related Party	Nature of relationship	Country of Incorporation
Mastek Limited	Holding company	India
TaisTech LLC*	Fellow Subsidiary company	United States of America
Mastek Inc.	Fellow Subsidiary company	United States of America
Mastek UK	Fellow Subsidiary company	United Kingdom
TaisTech Inc.	Fellow Subsidiary company	United States of America
Acquired through Demerger Co-operation Agreement (DCA) (Refer note 32 for manner and date of acquisition)		
Evolutionary Systems Private Limited	Subsidiary	India
Evolutionary Systems Company Limited	Step-down Subsidiary	United Kingdom
Newbury Cloud, Inc.	Step-down Subsidiary	United States of America
Evolutionary Systems Corp.	Step-down Subsidiary	United States of America
Evosys Consultancy Services (Malaysia) Sdn Bhd	Step-down Subsidiary	Malaysia
Evolutionary Systems Qatar WLL	Step-down Subsidiary	Qatar
Evolutionary Systems Pty Ltd	Step-down Subsidiary	Australia
Evolutionary Systems BV	Step-down Subsidiary	Netherlands
Evolutionary Systems (Singapore) Pte. Ltd.	Step-down Subsidiary	Singapore

Transaction with above related parties during the year were:-

Name of Related Party	Nature of transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Mastek Limited	Lease rental	-	23
	Reimbursable expenses	(31,869)	(3,545)
	Other Expenses	(525)	-
Taistech LLC*	Information Technology Services	392,350	411,773
	Reimbursable expenses recoverable	372	-
	Other Income	1,957	4,320

Balances with related parties outstanding are as follows:-

Name of Related Party	Nature of balances	As At March 31, 2020	As At March 31, 2019
Mastek Limited	Reimbursements of expenses (payable)	(32,411)	-
Mastek Limited	Trade payables	-	(3,541)
Taistech LLC*	Trade receivables	51,071	66,772
Mastek Inc.	Trade receivables	9	-

* Merged with TaisTech Inc. with effect from December 31, 2019.

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Key Management Personnel (KMP): Rabindar Kumar Mahato, Director
Rakesh Chandra Singh, Director

i) Compensation of key management personnel of the company

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and other employee benefits*	2,437	2,947
Rent expenses	60	49
Compensation paid to key management personnel	**2,497**	**2,996**

*Does not include post-employment benefits based on actuarial valuation as this is computed for the company as a whole.

25 Financial instrument

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	Carrying Value March 31, 2020	Carrying Value March 31,2019	Fair Value March 31, 2020	Fair Value March 31,2019
Financial assets				
Amortised cost				
Security deposits	8,561	7,933	8,561	7,933
Trade receivables	54,702	66,772	54,702	66,772
Cash and cash equivalents	49,043	8,893	49,043	8,893
Other financial assets	2,974	-	2,974	-
Investment in term deposit	40,000	-	40,000	-
FVTPL				
Investment in mutual fund	84,408	83,260	84,408	83,260
Total Assets	**239,688**	**166,858**	**239,688**	**166,858**
Financial liabilities				
Amortized cost				
Trade payables	303	3,939	303	3,939
Lease liabilities	15,790	-	15,790	-
Other liabilities	56,242	13,654	56,242	13,654
FVOCI				
Derivative liabilities	25,031	-	25,031	-
Total Liabilities	**97,366**	**17,593**	**97,366**	**17,593**

26 Fair Value hierarchy

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2020 and March 31, 2019

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2020:

Particulars	Date of valuation	Total	Fair value measurement using Level 1	Level 2	Level 3
Financial assets measuring at fair value FVTPL financial assets designated at fair value Investment in Mutual Fund	March 31, 2020	84,408	84,408	-	-
Financial liabilities measuring at fair value Derivative Liabilities Foreign Exchange Forward Contract	March 31, 2020	25,031	-	25,031	-

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2019:

Particulars	Date of valuation	Total	Fair value measurement using Level 1	Level 2	Level 3
Financial assets measuring at fair value FVTPL financial assets designated at fair value Investment in Mutual Fund	March 31, 2019	83,260	83,260	-	-

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27 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's management oversees the management of these risk and formulates the policies, the Board of Directors reviews and approves policies for managing each of these risks, which are summarised below:

Market Risk: Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices. The primary market risk to the Company is foreign exchange risk.

Foreign Currency Risk

The Company's exposure to risk of change in foreign currencies exchange rates arising from foreign currency transactions, is primarily with respect to the currencies which are not fixed. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the company. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The counter parties of these derivative instruments are primarily a bank. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

These derivative financial instruments are forward contracts and are qualified for cash flow hedge accounting when the instrument is designated for hedge. Company has designated major portion of derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of forecasted highly probable cash flows.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Designated derivative instrument	As at March 31, 2020	As at March 31,2019
Forward contract (Notional amount in USD thousands)	8,300	-
No. of Contracts	136	-
Fair value in Rs. thousands	(25,031)	-

Forward Contracts covers part of the exposure during the period April 2019 - January 2024

Mark-to-Market gains / (losses)	As at March 31, 2020	As at March 31,2019
Opening balance of Mark-to-market gains / (losses) receivable on outstanding derivative contracts	-	-
Less: Released from Hedging reserve account to statement of profit and loss under revenue account upon occurrence of forecasted sales transactions	193	-
Add: Changes in the value of derivative instrument recognised in Hedging reserve account	(25,224)	-
Closing balance of Mark-to-market (loss) receivable on outstanding derivative contracts	**(25,031)**	**-**
Disclosed under:		
Other current financial liabilities (Refer note 11 (b))	(7,781)	-
Other non-current financial liabilities (Refer note 9)	(17,250)	-
	(25,031)	**-**

Non-Derivative Financial Instruments

The following table presents foreign currency risk from non- derivative financial instrument (unhedged) as of March 31, 2020 and March 31, 2019.

Particulars	As at March 31, 2020		As at March 31, 2019	
	USD	INR	USD	INR
Assets	213	16,114	966	66,772
Liabilities	-	-	-	-
Net Assets/(Liabilities)		16,114		66,772

As at March 31, 2020 and March 31, 2019, respectively, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact results by approximately ₹ 161 and ₹ 667 respectively.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment and accordingly the Company's accounts for the expected credit loss. There is only one customer which contributes 95% of total revenue for the year ended March 31, 2020 (100%, March 31, 2019) and also contributes for more than 10% of total accounts receivables aggregating 93% as at March 31, 2020 (100% as at March 31, 2019).

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Company's net liquidation through rolling forecast on the basis of expected cash flows.

The liquidity position of the Company is given below

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	49,043	8,893
Balances in fixed deposits	40,000	-
Investment in mutual funds	84,408	83,260
Total	173,451	92,153

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Less than 1 Year	1 Year and above	Less than 1 Year	1 Year and above
Trade payables	303	-	3,939	-
Other financial liabilities	73,486	23,577	13,654	-

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28 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The capital structure is as follows:

Particulars	As At March 31, 2020	As At March 31,2019
Total Equity Attributable to the Equity Share Holders of Company	181,806	159,124
As percentage of total Capital	100%	100%
Current Loan and Borrowing	-	-
Non Current Loan and Borrowing	-	-
Total Loan and Borrowing	-	-
As a percentage of total Capital	0.00%	0.00%
Total Capital(Borrowing and Equity)	**181,806**	**159,124**

The Company is predominantly equity financed which is evident from capital structure table. Further, the Company has always been a net cash company with cash and bank balances along with current financial assets which is predominantly investment in liquid fund.

29 Leases

The Company has adopted Ind AS 116 'Leases' with effect from April 1, 2019, using the modified retrospective approach. However, comparative period amounts are not adjusted and continue to be reported in accordance with previous year's accounting policy except where indicated otherwise.Right of use assets at April 1, 2019 for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for any related prepayments/accruals). Thus on the date of transition, the company has created right-of-use asset of Rs. 27,553 and lease liability of equal amount, and there is no impact on opening balance of retained earnings for the current year. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Company as lessee

The Company's leased assets primarily consist of leases for office premises, guest houses, laptops, lease lines, furniture and equipment. Leases of office premises and guest houses generally have lease term between 2 to 3 years. The Company has applied low value exemption for leases of laptop, leaselines, furniture and equipment and accordingly, these are excluded from Ind AS 116, at present.

i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Buildings	Total
As at April 1, 2019	-	-
Additions	27,553	**27,553**
Depreciation expenses	(12,865)	**(12,865)**
As at March 31, 2020	**14,688**	**14,688**

ii) Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

Particulars	Year ended March 31, 2020
As at April 1, 2019	-
Additions	27,553
Accretion of interest	2,356
Payments	(14,119)
As at 31 March 2020	**15,790**
Current	9,463
Non-current	6,327

The contractual maturity analysis of lease liabilities (includes amount not falling under Ind AS 116) are disclosed herein on an undiscounted basis-

Particulars	Amount
Less than one year	12,333
More than one year less than 5 years	7,540
More than 5 years	-

The effective interest rate for lease liabilities is 11%

iii) The following are the amounts recognised in statement of profit and loss:

Particulars	Year ended March 31, 2020
Depreciation expense of right-of-use assets	12,865
Interest expense on lease liabilities	2,356
Expense relating to short-term leases (included in other expenses)*	714
Expense relating to leases of low-value assets (included in other expenses)	1,648
Total amount recognised in statement of profit and loss	**17,583**

*These includes rent due to fair valuation of security deposits amounting to INR 638.

The Company had total cash outflows for leases of INR 15,843 in FY 2019-20 (INR 16,073 in FY 2018-19)

There are several lease agreements with extension and termination options, management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonably certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term.

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30 Micro, Small and Medium Enterprises

Disclosure of payable to micro and small enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or on balance brought forward from previous year.

31 Payments to the Auditors

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditors	113	100
Reimbursement of expenses	-	10
Total	113	110

32 Note on acquistion

During the year, the Company acquired control over the overseas business of Evolutionary Systems Private Limited (ESPL) including investments in certain specified subsidiaries of ESPL. The Company and its Holding Company Mastek Limited (the parties) entered into a Demerger Co-operation Agreement (DCA) and Shareholders Agreement on February 8, 2020 (DCA acquisition) with the shareholders of ESPL. The manner of the acquisition of legal ownership, is decided to be achieved through a demerger scheme filed before the National Company Law Tribunal (NCLT) ("the Scheme"), or, as per DCA between the parties and the shareholders of Evosys, the parties shall complete this transaction with the same economic effect, by an alternate arrangement within the period specified in the DCA. The DCA gives the Company the right to appoint majority of the board of directors in ESPL and its subsidiaries and also provides for the relevant activities of ESPL and its subsidiaries to be decided by a majority vote of such board of directors, thereby resulting in transfer of control of business of ESPL and its subsidiaries to the Company. The transfer of legal title of such business undertaking shall be completed in financial year 2020-21. The date of acquisition of business undertaking for the purposes of Ind AS 103 is the date of transfer of control to the Company, i.e. February 8, 2020. Discharge of consideration through demerger will be done through issue of 4,235,294 equity shares of Mastek Limited (face value Rs. 5 each) and balance through 15,000 Compulsorily Convertible Preference Shares (CCPS), (face value of Rs. 10 each) of the Company for every 10,000 equity shares of ESPL of face value of Rs. 10 each. The CCPS to be issued subject to regulatory approval, carries a Put Option which can be exercised by the holders of such CCPS at agreed EBIDTA multiples over the next 4 years. Pending completion of legal acquisition, this transaction has been disclosed in the financial statements and will be given effect to on receiving NCLT approval or on executing the alternate arrangement in accordance with the DCA. Accordingly, the CCPS which are proposed to be issued have not been considered for calculating the earnings per share both basic and diluted.

33 Covid-19 Assessment

The Company has assessed the impact of Covid-19 Pandemic on its operations as well as financial reporting process, including but not limited to the areas of financial controls, credit risk, effectiveness of hedge relationship, goodwill, impairment of financial and non-financial assets, and Cyber security pertaining to the remote access of information for the year ended March 31, 2020 and up to the date of approval of financial statements. While assessing the impact, Company has considered all internal and external sources of information like industry reports, economic forecast, credit reports and company's business forecast basis the global economic consensus. Company expects to recover the carrying amount of its assets and retain effectiveness of its hedge transactions. Further, there have been no material changes in the financial control/process followed by the company. However, the impact of COVID-19 may be different from that estimated as on the date of approval of these financial statements and the Company will continue to closely monitor any material changes to the business due to future economic conditions.

34 Expenditure on Corporate Social Responsibilities

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amount required to be spent as per Section 135 of the Companies Act	1,144	792
Amount spent during the year	1,144	800

These are the notes to accounts referred to in our report of even date.

For **Walker Chandrika & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N/N500013

Adi P. Sethna
Partner
Membership No.: 108840
Place: Mumbai
Date: October 26, 2020

WALKER CHANDIOK & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of **TRANS AMERICAN INFORMATION SYSTEMS PRIVATE LIMITED**

Rabindar Kumar Mahato
Director
DIN: 00262957
Place: Mumbai
Date: October 26, 2020

Rakesh Chandra Singh
Director
DIN: 00263089

TRANS AMERICAN INFORMATION SYSTEMS PVT. LTD.