

INDEPENDENT AUDITOR'S REPORT

To the Members of MXC Solutions India Private Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of MXC Solutions India Private Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 42 to the consolidated Ind AS financial statements, which describes the uncertainties and the impact of Covid-19 on carrying assets as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Other Matter

- (a) We did not audit the financial statements and other financial information in respect of two subsidiaries whose Ind AS financial statements include total assets of Rs 413.24 lakhs as at March 31, 2020, and total revenues of Rs. 12.84 lakhs and net cash inflows of Rs. 52.66 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act and of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiaries incorporated in India for the year ended March 31, 2020 except one subsidiary to which section 197 is applicable, where in our opinion, the managerial remuneration paid by the subsidiary company to its Managing Director for the year ended March 31, 2020 is in excess by Rs 269.8 lacs of the limits applicable and requisite approvals mandated under section 197 of the Act, read with Schedule V to the Act. We have been informed by the management that the subsidiary company will obtain approval of the shareholders in its general meeting by way of a special resolution;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

MXC Solutions India Private Limited

Auditor's Report – March 2020

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of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 33 to the consolidated Ind AS financial statements.
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2020.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per Govind Ahuja

Partner

Membership Number: 48966

UDIN: 20048966AAAABQ5118

Place of Signature: Mumbai

Date: July 21, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF MXC SOLUTIONS INDIA PRIVATE LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the consolidated financial statements of MXC Solutions India Private Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of MXC Solutions India Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by the ICAI, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these consolidated Ind AS 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 control over financial reporting with reference to these consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS 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 over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies has, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of this subsidiary company incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
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Partner

Membership Number: 48966

UDIN: 20048966AAAABQ5118

Place of Signature: Mumbai

Date: July 21, 2020

MXC Solutions India Private Limited
Consolidated Balance Sheet as at March 31, 2020

(Rupees in Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	8,612.42	4,756.60
(b) Capital Work- in- progress		19.18	-
(c) Goodwill	4A	89,601.71	89,573.12
(d) Other Intangible Assets	4B	1,622.64	1,948.60
(e) Intangible assets under development		-	3.38
(f) Financial Assets			
(i) Investment	5	2,055.08	171.86
(ii) Other financial assets	6	488.79	341.20
(iii) Loan	7	3.89	-
(g) Deferred Tax assets (net)	40	408.03	107.53
(h) Income Tax assets (net)		493.90	923.45
(i) Other Assets	8	220.89	112.47
Total Non - Current Assets		1,03,526.53	97,938.21
2 Current assets			
(a) Inventory		1.84	94.16
(b) Financial Assets			
(i) Investments	5	27,419.52	28,533.85
(ii) Loan	7	3,795.66	2,595.00
(iii) Trade receivables	9	4,669.21	4,001.82
(iv) Cash and cash equivalents	10A	1,948.58	2,158.65
(v) Bank balance other than (iv) above	10B	210.78	4.00
(vi) Other financial assets	6	2,052.63	497.31
(c) Current Tax Asset (net)		168.48	87.11
(d) Other assets	8	1,304.12	1,902.85
Total Current Assets		41,570.82	39,874.75
Total Assets		1,45,097.35	1,37,812.96
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	11	344.93	344.93
(b) Preference Share capital	11	3,490.34	3,490.34
(c) Other Equity	12A	1,23,013.05	1,20,135.30
Equity attributable to owners of the Company		1,26,848.32	1,23,970.57
Non Controlling Interests	12B	5,248.60	4,129.56
Total Equity		1,32,096.92	1,28,100.13
Liabilities			
2 Non-current liabilities			
(a) Lease liabilities	25	3,457.24	-
(b) Provisions	13	419.09	352.22
(c) Other liabilities	16	9.91	-
Total non - Current Liabilities		3,886.24	352.22
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	14	1,956.33	3,355.62
(ii) Other financial liabilities	15	3,674.66	4,152.23
(b) Provisions	13	327.85	291.46
(c) Lease liabilities	25	757.75	-
(d) Other liabilities	16	2,397.60	1,561.30
Total Current Liabilities		9,114.19	9,360.61
Total Liabilities		13,000.43	9,712.83
Total Equity and Liabilities		1,45,097.35	1,37,812.96
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number: 101049W/E300004
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Govind AHUJA

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors
of MXC Solutions India Private Limited

Rajan Jitendra Mehra

Rajan Mehra
Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

VINAY VINOD SANGHI

Vinay Sanghi
Chief Executive Officer &
Director

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Pal Lal Bahadur Deepnarayan

Pal Lal Bahadur
Company Secretary

Place: Mumbai
Date: July 21, 2020

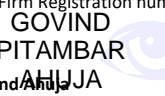
(Rupees in Lakhs)

Particulars	Note	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I Revenue from operations	17	29,828.20	24,327.79
II Other income	18	2,003.20	2,343.63
III Total Income (I + II)		31,831.40	26,671.42
IV Expenses			
Purchase of Stock-in-trade		1,621.73	94.41
Changes in Inventories of Finished Goods		92.32	(94.16)
Employee Benefits Expense	19	13,418.63	12,760.78
Finance Costs	20	418.90	57.24
Depreciation and amortisation expense	4C	1,414.04	574.97
Other expenses	21	10,774.07	9,343.60
Total Expense		27,739.68	22,736.84
V Profit before tax (III - IV)		4,091.72	3,934.58
VI Tax expense / (benefit)			
(a) Current tax		1,417.59	1,057.96
(b) Income tax adjustment related to earlier years		52.33	-
(c) Deferred tax		(300.48)	48.84
Total Tax Expense / (benefit)	22	1,169.44	1,106.80
VII Profit for the year (V-VI)		2,922.28	2,827.78
VIII Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		51.13	(29.09)
Income tax relating to items that will not be reclassified to profit or loss		(19.38)	8.74
Total Other Comprehensive Income / (loss) for the year		31.75	(20.35)
IX Total other comprehensive Income for the year (VII + VIII)		2,954.03	2,807.43
X Profit for the year attributable to:			
- Owners of the Company		1,879.08	1,658.50
- Non-controlling interests		1,043.20	1,169.28
XI Other Comprehensive Income / (Loss) attributable to:			
- Owners of the Company		5.91	(10.74)
- Non-controlling interests		25.84	(9.61)
XII Total Comprehensive Income for the year attributable to:			
- Owners of the Company		1,884.99	1,647.76
- Non-controlling interests		1,069.04	1,159.67
XIII Earnings per equity share (of Rs. 10/- each)	26		
Basic (In Rs.)		84.72	81.98
Diluted (In Rs.)		6.77	6.56
Summary of significant accounting policies	2.1		

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

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

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 email=govind.ahuja@srb.in
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Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors
of MXC Solutions India Private Limited

Rajan
Jitendra
Mehra

Rajan Mehra
Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

VINAY
VINOD
SANGHI

Vinay Sanghi
Chief Executive Officer &
Director

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Pal Lal
Bahadur
Deepnarayan

Lalbahadur Pal
Company Secretary

Place: Mumbai

Date: July 21, 2020

MXC Solutions India Private Limited
Statement of Changes in Equity for the year ended March 31, 2020

(Rupees in Lakhs)		
(a) Equity Share Capital	As at March 31, 2020	As at March 31, 2019
Opening Balance	344.93	344.93
Issued during the year	-	-
Total	344.93	344.93
(b) Preference Share Capital	As at March 31, 2020	As at March 31, 2019
Opening Balance	3,490.34	3,490.34
Issued during the year	-	-
Total	3,490.34	3,490.34

(Rupees in Lakhs)									
(c) Other Equity	Securities Premium	Share option outstanding account	Retained earnings	Money Received against Share Warrant	Capital Reserve	Other reserves	Attributable to owners of the Company	Non Controlling Interest	Total
Balance as at April 1, 2018	1,45,456.71	848.62	(28,459.22)	4.46	33.80	(608.83)	1,17,275.54	2,969.89	1,20,245.43
Add: Profit for the year	-	-	1,658.50	-	-	-	1,658.50	1,169.28	2,827.78
Add: Other comprehensive loss for the year	-	-	(10.74)	-	-	-	(10.74)	(9.61)	(20.35)
Total comprehensive Profit for the year	-	-	1,647.76	-	-	-	1,647.76	1,159.67	2,807.43
Add:	-	-	-	-	-	-	-	-	-
Recognition of share based payments	-	1,212.00	-	-	-	-	1,212.00	-	1,212.00
Balance as at March 31, 2019	1,45,456.71	2,060.62	(26,811.46)	4.46	33.80	(608.83)	1,20,135.30	4,129.56	1,24,264.86
Add: Profit for the year	-	-	1,879.08	-	-	-	1,879.08	1,043.20	2,922.28
Add: Adjustment towards Augeo acquisition (refer note 34)	-	-	28.59	-	-	-	28.59	-	28.59
Add: Adjustment pursuant to Ind AS 116 adoption (refer note 25)	-	-	(400.73)	-	-	-	(400.73)	-	(400.73)
Add: Addition pursuant to Augeo acquisition (refer note 34)	-	-	-	-	-	-	-	50.00	50.00
Add: Other comprehensive income for the year	-	-	5.91	-	-	-	5.91	25.84	31.75
Total comprehensive profit for the year	-	-	1,512.85	-	-	-	1,512.85	1,119.04	2,631.89
Add: Recognition of share based payments	-	1,364.90	-	-	-	-	1,364.90	-	1,364.90
Balance as at March 31, 2020	1,45,456.71	3,425.52	(25,298.61)	4.46	33.80	(608.83)	1,23,013.05	5,248.60	1,28,261.65

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

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Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

For and on behalf of the Board of Directors
 of MXC Solutions India Private Limited

Rajan Jitendra Mehra
 Digitally signed by Rajan Jitendra Mehra

Rajan Mehra
 Director
 DIN: 00504892
 Place: Mumbai
 Date: July 21, 2020

VINAY VINOD SANGHI
 Digitally signed by VINAY VINOD SANGHI

Vinay Sanghi
 Chief Executive Officer & Director
 DIN: 00309085
 Place: Mumbai
 Date: July 21, 2020

Pal Lal Bahadur Deepnarayan
 Digitally signed by Pal Lal Bahadur Deepnarayan

Lalbahadur Pal
 Company Secretary

Place: Mumbai
 Date: July 21, 2020

(Rupees in Lakhs)		
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	4,091.72	3,934.58
<u>Adjusted for:</u>		
Depreciation , impairment and amortisation of property, plant and equipment and intangible assets	1,414.04	574.97
Share based payments to employees	1,364.90	1,212.00
Interest income on financial asset (ICD) carried at amortised cost	(323.19)	(199.33)
Interest Income- bank deposits and financials assets (investment) carried at amortised cost	(20.10)	(18.51)
Interest Income - security deposits	-	(2.97)
Interest Income - income tax refund	(34.38)	(37.99)
Profit on sale of Property, Plant and Equipment (Net)	(2.85)	(1.07)
Unbilled revenue written off	-	9.56
Finance costs	4.19	4.02
Provision for doubtful debts	343.31	47.99
Bad debts written off (Net)	8.73	65.05
Liabilities no longer required written back	(72.78)	(109.02)
Interest on lease liability	344.75	-
Gain on fair valuation of investment in mutual fund	(1,411.90)	(1,784.89)
Operating Profit / (Loss) before Working Capital Changes	1,614.72	(240.19)
<u>Changes in working capital:</u>	5,706.44	3,694.39
(Increase) in trade receivables	(944.23)	(527.84)
(Decrease)/Increase in other assets	(1,320.69)	(224.45)
(Decrease)/Increase in Inventory	92.32	(94.16)
Decrease/(Increase) in trade payables	(1,326.51)	1,221.33
Decrease /(Increase) in non current liabilities	(477.58)	350.91
Decrease/(Increase) in financial liabilities	836.30	(50.42)
Increase in provision for employee benefits	154.39	77.33
	(2,986.00)	752.70
Cash from operations	2,720.44	4,447.09
Income tax paid (net)	(1,296.91)	(1,707.56)
Net Cash from Operating Activities	1,423.53	2,739.53
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of Property, Plant and Equipment	(482.39)	(244.27)
Proceeds from sale of Property, Plant and Equipment	2.85	2.67
Purchase consideration for business combination	(150.00)	-
Purchase of financial instruments	(1,31,462.19)	771.01
Proceeds from sale of financial instruments	1,32,296.26	(2,898.74)
Transfer from Restricted Bank Balance	-	103.29
Interest received	184.61	224.92
Net Cash from / (used in) Investing Activities	389.14	(2,041.12)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loan given	(1,204.55)	(5,265.00)
Lease liability paid	(814.00)	-
Loan repaid	-	5,505.00
Finance Costs	(4.19)	(4.02)
Net Cash (used in) / from Financing Activities	(2,022.74)	235.98
Net (decrease) / increase in cash and cash equivalents	(210.07)	934.38
Cash and cash equivalents at beginning of the year	2,158.65	1,224.26
Cash and cash equivalents at end of the year (as per note 10A)	1,948.58	2,158.65

The accompanying notes are an integral part of the financial statements

As per our report of even date
For For S. R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration number:101049W/E300004

GOVIND PITAMBAR AHUJA
Digitally signed by GOVIND PITAMBAR AHUJA
DN: cn=GOVIND PITAMBAR AHUJA, c=IN, o=Personal, email=govind.ahuja@srb.in
Date: 2020.07.21 21:58:53 +05'30'

Govind Ahuja
Partner
Membership no: 48966
Place: Mumbai
Date: July 21, 2020

For and on behalf of the Board of Directors
of MXC Solutions India Private Limited

Rajan Jitendra Mehra
Digitally signed by Rajan Jitendra Mehra

Rajan Mehra
Director
DIN: 00504892
Place: Mumbai
Date: July 21, 2020

VINAY VINOD SANGHI
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Chief Executive Officer & Director
DIN: 00309085
Place: Mumbai
Date: July 21, 2020

Pal Lal Bahadur Deepnarayan
Digitally signed by Lal Bahadur Deepnarayan

Lalbahadur Pal
Company Secretary
Place: Mumbai
Date: July 21, 2020

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

Note 1: About the Company

MXC Solutions India Private Limited ("MXC" or "the Company") is a private Company domiciled in India incorporated on April 28, 2000, under the Companies Act, 1956. The Company runs CarTrade.com, Carwale.com and Bikewale.com an online auto classifieds and content site and CarTradeExchange, which helps new and used car dealers to run their business. Its registered office is at c/o Suraj Sanghi Service Centre, Dr. Annie Besant Road, Worli, Mumbai -400 018.

Subsidiaries are engaged in providing a platform where car buyers and owners can research and transact cars, facilitating buyers/sellers to sell their trucks and commercial vehicles and refurbishment of pre owned vehicles. One of subsidiaries provides motor vehicle inspection and valuation service, it inspects and performs valuation on private as well as commercial automobiles.

On August 28, 2019, the NCLT approved the scheme of amalgamation with its wholly owned subsidiary namely Automotive Exchange Private Limited ('AEPL') from the appointed date i.e. April 1, 2017.

The Consolidated financial statements comprise financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended March 31, 2020.

The Consolidated financial statements were authorised for issue in accordance with resolution of Board of Directors on July 21, 2020.

Note 2: Significant Accounting Policies

2.1 Basis of accounting and preparation of Consolidated financial statements

These Financial statements have been prepared in accordance with The Indian Accounting Standards (herein after referred to as the Ind AS) notified under the Companies (India Accounting Standard) Rules, 2015 (as amended from time to time) and presentation requirements of schedule III of the Companies Act, 2013 (the "Act"). The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Financial statements are presented in Indian rupees ("₹") and all values are rounded to the nearest lakh, except when otherwise indicated.

2.2 Basis of Consolidation

The Consolidated financial statements comprise the financial statements of the Company and the entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii. is exposed or has rights, to variable returns from its involvement with the investee and
- iii. has the ability to use its power over the investee to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- a. Derecognises the assets (including goodwill) and liabilities of the subsidiary
- b. Derecognises the carrying amount of any non-controlling interests
- c. Derecognises the cumulative translation differences recorded in equity
- d. Recognises the fair value of the consideration received
- e. Recognises any surplus or deficit in profit or loss
- f. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

2.3 Summary of Significant Accounting policies

A Business Combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- a. Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 – Employee Benefits respectively.
- b. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non Current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-Controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis of made on transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent settlement dates and is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

In case of business combination involving entities under common control the above policy does not apply. Business combinations involving entities under common control are accounted for using the Pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as Capital Reserve under equity.

B Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (See note 2.3 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually.

C Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

D Foreign currencies

The Group's financial statements are presented in INR, which is also the Group's functional currency.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

E Fair value measurement

The Group measures financial instruments at fair value at each Balance sheet date in accordance with the accounting policies mentioned above.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of principal market, in the most advantageous market for asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

F Revenue Recognition

Revenue from contracts with customers is recognised when services are delivered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically when services are being delivered to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration, if any) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration, if any, on account of various discounts and schemes offered by the Group as part of the contract. Payment is generally received on successful completion of services

Rendering of services:

- i) Advertisement income : The performance obligation is satisfied upon display of the advertisement, net commissions if any.
- ii) Facilitation and other related fees: Revenue is recognised at a point in time per terms of contract on accrual basis.
- iii) Lead generation revenue: The performance obligation is satisfied at a point in time upon delivery of leads.
- iv) Subscription fees :The performance obligation is satisfied over-time i.e. over the period of subscription/contract and the payment is generally received as short-term advances before the service is provided.
- v) Rental income : The performance obligation is satisfied over-time and payment is generally received at the end of each rental month .
- vi) Other operating Income : Other operating revenue includes security deposit forfeited, Website and development fees and other services fees. Revenue from security deposit forfeiture is recognised as per policy mentioned in note 2.2 R below. Revenue is recognised at a point in time / over time once contractual obligation is satisfied.

Revenue from sale of Goods:

Sale of used cars : Revenue is recognised when all the significant risks and rewards of ownership of the vehicle have been passed to the buyer.

Contract balances

- Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (I) Financial instruments – initial recognition and subsequent measurement.

- Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are initially recognised for revenue earned from advertisement and lead revenue. Upon completion of the entire contract, the amounts recognised as contract assets are reclassified to trade receivables.

- Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

Contract liabilities mainly include short term advances received to render services as per contract. The revenue from these services is recognised over the period of the contract

G Other income

- a) Dividend from investments are recognised when the right to receive payment is established and no significant uncertainty as to collectibility exists.
- b) Interest income from financial instruments measured at amortised cost, is recorded on accrual basis.

H Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company 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

The right-of-use assets are also subject to impairment.

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 that depend on an index or a rate, 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 (unless they are incurred to produce inventories) 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.

The Company's lease liabilities are included in Interest-bearing loans and borrowings.

I **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- i. The date of the plan amendment or curtailment, and
- ii. The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- iii. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- iv. Net interest expense or income

J **Taxes**

i) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- ii. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- iii. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- iv. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

K **Property Plant and Equipment**

Property, Plant and Equipment is stated net of accumulated depreciation and impairment losses, if any. Such cost includes the cost of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the assets to its working condition for its intended use. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is provided for Property, Plant and Equipment so as to expense the cost over its useful life. The estimated useful lives and method of depreciation are reviewed at the end of each financial year and any change in estimate is accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis for Property, Plant and Equipment purchased and sold during the year. Depreciation on Property, Plant and Equipment is calculated on the straight-line method as per the estimated useful life prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

- i) Computers - 3 Years
- ii) Furniture & Fixtures - 10 Years
- iii) Vehicles - 5 Years
- iv) Building - 60 Years
- v) Building fence - 5 Years
- vi) Carpeted Road - 5 Years
- vii) Plant and Equipment - 15 Years
- viii) Leasehold Improvement - 60 months or lease period whichever is lower
- ix) Servers - 6 years

The group, based on management estimate, depreciates office equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

L Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortised as follows:

Software - 3 Years

Customer contract - 7 Years

Trade mark - 10 Years

M Impairment of Tangible and Intangible assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

N Provisions and Contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions and contingent liabilities are reviewed at each balance sheet date.

O Share Based Payment arrangements

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 30.

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

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the counterparty renders the service.

P Financial Instruments

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

Financial assets

i. Financial assets at amortised cost

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

These include trade receivables, balances with banks, and other financial assets.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

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

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

iv. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and maximum amount of consideration that the Company could be required to repay.

v. Impairment of financial assets:

The Group recognizes a loss allowance for expected credit losses on a financial asset that is held at amortized cost. Loss allowance in respect of financial assets other than finance receivables is measured at an amount equal to life time expected losses and is calculated as the difference between their carrying amount and the expected future cash flows. Such impairment loss is recognized in the income statement. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. The reversal is recognized in the income statement.

Financial liabilities and Equity instruments

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

i. Equity instruments

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

ii. Financial liabilities

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

All the financial assets and financial liabilities of the Group are currently measured at amortized cost except for investment in Mutual Fund.

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

Q Cash and Cash Equivalents

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

R Security Deposit

The Group at the time of buyer registration, collects refundable security deposits ("RSD") from prospective bidder, which entitles bidder to bid during auction. The RSD is towards ensuring performance of the contract. As per contractual terms, the RSD is refunded upon demand after adjustments of facilitation fee. The Group generally accounts for unclaimed RSD upon completion of limitation period of 3 years. Security deposits are forfeited on default, which at the expiry three years or when no uncertainty over repayment exists, whichever is earlier is treated as income.

S Earning Per Share

Basic earnings per share has been computed by dividing profit or loss for the year by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

T Inventory

Inventories are valued at the lower of cost and net realisable value.

Traded goods comprises of used car: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

U Critical accounting judgements and key sources of estimation uncertainty

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

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

a) Impairment of non-financial assets:

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and its written down to its recoverable amount.

b) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculations based on Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

3: Property , plant and equipment

(Rupees in Lakhs)

Description of Assets	Land - freehold	Lease Hold Improvements	Buildings	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipments	Computer	Right-of-Use Assets (refer note 25)	Total
Cost or Valuation										
Balance as at April 1, 2018	4,015.96	795.37	258.83	440.45	305.09	4.16	333.49	715.37	-	6,868.72
Additions	-	0.71	-	110.85	14.01	-	60.20	6.83	-	192.60
Disposals	-	0.49	-	13.51	1.87	-	5.59	11.34	-	32.80
Balance as at March 31, 2019	4,015.96	795.59	258.83	537.79	317.23	4.16	388.10	710.86	-	7,028.52
Additions	-	4.10	114.21	124.78	23.01	99.07	119.49	65.54	4,829.57	5,379.76
Disposals	114.21	-	-	0.40	-	-	0.09	86.34	402.78	603.82
Balance as at March 31, 2020	3,901.75	799.69	373.04	662.17	340.24	103.23	507.50	690.06	4,426.79	11,804.47

(Rupees in Lakhs)

Description of Assets	Land - freehold	Lease Hold Improvements	Buildings	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Right-of-Use Assets (refer note 25)	Total
Depreciation										
Balance as at April 1, 2018	-	667.70	20.90	315.26	185.53	3.98	267.40	644.08	-	2,104.85
Depreciation expense	-	36.22	5.01	51.96	22.61	-	44.21	38.27	-	198.28
Disposals	-	0.49	-	12.41	1.82	-	5.23	11.26	-	31.21
Balance as at March 31, 2019	-	703.43	25.91	354.81	206.32	3.98	306.38	671.09	-	2,271.92
Depreciation expense	-	20.34	16.12	74.34	24.10	3.66	42.92	41.87	834.12	1,057.47
Disposals	-	-	-	0.40	-	-	0.09	86.34	50.51	137.34
Balance as at March 31, 2020	-	723.77	42.03	428.75	230.42	7.64	349.21	626.62	783.61	3,192.05

(Rupees in Lakhs)

Description of Assets	Land - freehold	Lease Hold Improvements	Buildings	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipments	Computers	Right-of-Use Assets (refer note 25)	Total
Carrying Value of										
As at March 31, 2020	3,901.75	75.92	331.01	233.42	109.82	95.59	158.29	63.44	3,643.18	8,612.42
As at March 31, 2019	4,015.96	92.16	232.92	182.98	110.91	0.18	81.72	39.77	-	4,756.60

Note : The Company has elected to continue with the carrying value for all of its Property, Plant & Equipment as recognised in its previous GAAP financial statements as deemed cost on the transition date i.e. 01 April 2018

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

4A. Goodwill

(Rupees in Lakhs)	
Goodwill	Amount
<u>Gross carrying value</u>	
Balance as on April 1, 2018	78,409.27
Amounts recognised from business combinations occurred during the year	11,163.85
Balance as on March 31, 2019	89,573.12
Amounts recognised from business combinations occurred during the year	28.59
Balance as on March 31, 2020	89,601.71
<u>Accumulated Impairment</u>	
Balance as on April 1, 2018	-
Impairment losses recognised in the year	-
Balance as on March 31, 2019	-
Impairment losses recognised in the year	-
Balance as on March 31, 2020	-

Note:

(i) Goodwill of Rs.78,409.27 lakhs relates to erstwhile AEPL (identified as separate CGU) for the purpose of impairment testing, the recoverable amount of this CGU is determined based on fair value less cost of disposal as per requirement of Ind AS 36. The fair value is computed as per Discounted Cash Flow method. Due to use of significant unobservable input to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirement of Ind AS 113.

(ii) Goodwill of Rs. 10,569.13 lakhs and Rs. 594.72 lakhs relates to the Shriram Automall India Limited and Adroit Inspection Services Private Limited respectively (identified as separate CGU) for the purpose of impairment testing, the recoverable amount of this CGU is determined based on fair value less cost of disposal as per requirement of Ind AS 36. The fair value is computed as per Discounted Cash Flow method. Due to use of significant unobservable input to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirement of Ind AS 113.

(iii) Goodwill of Rs. 28.59 lakhs relates to Augeo Asset Management Private Limited (identified as separate CGU) for the purpose of impairment testing, the recoverable amount of this CGU is determined based on fair value less cost of disposal as per requirement of Ind AS 36. The fair value is computed as per Discounted Cash Flow method. Due to use of significant unobservable input to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirement of Ind AS 113.

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

4B : Other Intangible Assets

(Rupees in Lakhs)				
Description of Assets	Customer contract	TradeMark	Computer Software	Total
Cost				
Balance as at April 1, 2018	2,267.73	4.64	717.31	2,989.68
Additions		5.90	45.77	51.67
Disposal	-	-	-	-
Balance as at March 31, 2019	2,267.73	10.54	763.08	3,041.35
Additions	-	-	30.61	30.61
Disposal	-	-	-	-
Balance as at March 31, 2020	2,267.73	10.54	793.69	3,071.96

(Rupees in Lakhs)				
Description of Assets	Customer contract	TradeMark	Computer Software	Total
Balance as at April 1, 2018	47.93	3.50	664.63	716.06
Amortisation expense	323.96	0.51	52.22	376.69
Disposal	-	-	-	-
Balance as at March 31, 2019	371.89	4.01	716.85	1,092.75
Amortisation expense	323.96	1.02	31.59	356.57
Disposal				-
Balance as at March 31, 2020	695.85	5.03	748.44	1,449.32

(Rupees in Lakhs)				
Description of Assets	Customer contract	TradeMark	Computer Software	Total
Carrying Value of				
As at March 31, 2020	1,571.88	5.51	45.25	1,622.64
As at March 31, 2019	1,895.84	6.53	46.23	1,948.60

4C: Depreciation and Amortisation Expenses

(Rupees in Lakhs)		
Particular	March 31, 2020	March 31, 2019
Depreciation of tangible assets	1,057.47	198.28
Amortization of intangible assets	356.57	376.69
Total	1,414.04	574.97

Note : The Company has elected to continue with the carrying value for all of its Intangibles as recognised in its Indian GAAP financial statements as deemed cost on the transition date i.e. 01 April 2018

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

5. Investments

(Rupees in Lakhs)

Particulars	As at March 31, 2020			As at March 31, 2019		
	QTY	Current	Non Current	QTY	Current	Non Current
<u>Unquoted Investments</u>						
A. Investments in subordinated debts, at amortised cost						
Shriram Transport Finance Company Limited	-	-	-	10,472	-	124.13
Shriram City Union Finance Limited	-	-	-	4,588	-	47.73
Shriram Transport Finance Company Limited	21,333	250.50	-	12,217	133.24	-
Shriram City Union Finance Limited	7,735	90.52	-	5,163	64.56	-
B. Investment in debentures at fair value through profit or loss						
Non-convertible debentures of ₹ 1,000 each fully paid up in STFC Limited*	2,17,607.00	-	2,055.08	-	-	-
C. Investments in Mutual Funds , at fair value through Profit and Loss						
HDFC Liquid Fund- Growth (of Rs. 1000/- each)	11,771.25	457.17	-	12,249	448.36	-
ICICI Prudential Liquid- Regular Plan- Growth (of Rs. 100/- each)	36,07,109.38	10,550.80	-	38,42,935	10,584.16	-
Birla Sun Life Cash Plus- Growth-Regular Plan (of Rs. 100/- each)	35,42,063.00	11,254.75	-	35,42,063	10,590.96	-
DSP BlackRock Liquidity Fund- Institutional Plan- Growth (of Rs. 1000/- each)	1,46,901.29	4,145.78	-	1,34,050	3,563.81	-
Axis Liquid Fund - Direct Growth (of Rs. 1000/- each)	-	-	-	1,51,856	3,148.76	-
Axis Bank Overnight Fund	63,476.00	670.00	-	-	-	-
Investments Carried At FVTPL [A]		27,078.50	2,055.08		28,336.05	-
Investments Carried At Amortised Cost [B]		341.02	-		197.80	171.86
Total Unquoted Investments [A+B]		27,419.52	2,055.08		28,533.85	171.86

* The Group has 2,17,607 units of non convertible debentures of Shriram Transport Finance Corporation Limited having face value of ₹ 21,76,07,000 and interest rate in between 8.7% to 9.7% p.a.

Category-wise investments

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Financial assets carried at amortised cost				
Unquoted subordinated debts (The Group deemed carrying amount and fair value is same)	341.02	-	197.80	171.86
Financial assets carried at FVTPL				
Mutual funds	27,078.50	-	28,336.05	-
Non Convertible Debentures	-	2,055.08		

6. Other Financial assets (Unsecured)

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
a) Security Deposits				
- Considered good	12.01	399.67	8.43	323.49
- Considered doubtful	3.05	-	3.05	-
	15.06	399.67	11.48	323.49
Less -Allowance for doubtful	(3.05)	-	(3.05)	-
	12.01	399.67	8.43	323.49
b) Interest accrued on Inter Corporate Loan	177.15	-	43.19	-
c) Interest accrued on Fixed Deposits	1.19	-	2.06	-
d) Unbilled Revenue				
- Considered good	1,796.04	-	406.07	-
- Considered doubtful	60.17	-	-	-
	1,856.21	-	406.07	-
Less -Allowance for doubtful	(60.17)	-	-	-
	1,796.04	-	406.07	-
e) Interest accrued on subordinated debt	27.88	-	12.56	12.56
f) Loan to employees	-	-	9.50	5.15
g) Deposit accounts with original maturity for more than 12 months	-	89.12	-	-
h) Others	38.36	-	15.50	-
Total	2,052.63	488.79	497.31	341.20

7. Loan

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(a) Inter Corporate Loan	3,785.00	-	2,595.00	-
(b) Loans to Employees				
- Considered good	10.66	3.89	-	-
- Considered doubtful	6.24	-	-	-
	16.90	3.89	-	-
Less -Allowance for doubtful	(6.24)	-	-	-
	10.66	3.89	-	-
Total	3,795.66	3.89	2,595.00	-

8. Other assets (Unsecured, considered good)

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
a) Indirect taxes recoverable (refer note below)	856.85	34.28	1,506.85	46.13
b) Advance to employees	27.94	3.30	40.05	-
c) Prepaid expenses	101.10	171.99	76.26	66.34
d) Advance to vendors	318.23	-	205.42	-
e) Capital advances	-	11.32	-	-
f) Advance rent	-	-	74.27	-
Total	1,304.12	220.89	1,902.85	112.47

Note : Indirect Taxes recoverable as on the reporting date , Rs. 856.85 lakhs (March 31, 2019 : Rs.1,333.54 lakhs) represents unutilised Cenvat credit of service tax accumulated till June 30, 2017.

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

9. Trade receivables

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivable (Unsecured)		
(a) Considered Good	4,669.21	4,001.82
(b) Considered Doubtful	558.45	290.34
	5,227.66	4,292.16
Less: Allowances for doubtful debts (expected credit loss allowance)	558.45	290.34
Total	4,669.21	4,001.82

10A. Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash in hand	197.74	118.93
(b) Bank balances		
- In Current account	1,725.19	1,430.41
- In Fixed Deposit with maturity for less than 3 months	25.65	609.31
Total	1,948.58	2,158.65

10B. Bank balance other than note 10A above

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Other Bank Balance:</u>		
(a) Deposit accounts with original maturity for more than 3 months	210.78	4.00
Total	210.78	4.00

11. Equity Share Capital

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Units	Amount	Units	Amount
Authorised Capital				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	85,00,000	850.00	85,00,000	850.00
(B) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A Series	20,00,000	200.00	20,00,000	200.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	28,00,000	280.00	28,00,000	280.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	40,00,000	400.00	40,00,000	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	64,00,000	640.00	64,00,000	640.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	40,00,000	400.00	40,00,000	400.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,29,00,000	1,290.00	1,29,00,000	1,290.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	6,00,000	60.00	6,00,000	60.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	40,00,000	400.00	40,00,000	400.00
	4,52,00,000	4,520.00	4,52,00,000	4,520.00
Issued, Subscribed and Fully Paid up				
(A) Equity Share Capital				
Equity Shares of Rs 10/- each	34,49,303	344.93	34,49,303	344.93
	34,49,303	344.93	34,49,303	344.93
(B) Preference Share Capital				
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each A Series	19,32,120	193.21	19,32,120	193.21
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each B Series	27,70,456	277.05	27,70,456	277.05
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each C Series	36,57,066	365.71	36,57,066	365.71
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each D Series	59,64,300	596.43	59,64,300	596.43
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each E Series	35,19,482	351.95	35,19,482	351.95
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F Series	1,28,79,955	1,288.00	1,28,79,955	1,288.00
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each F1 Series	5,85,437	58.54	5,85,437	58.54
8% Non-cumulative Compulsorily Convertible Preference shares of Rs 10/- each G Series	35,94,499	359.45	35,94,499	359.45
	3,49,03,315	3,490.34	3,49,03,315	3,490.34
TOTAL	3,83,52,618	3,835.27	3,83,52,618	3,835.27

Note: There has been no change/movement in the above share capital during the year and accordingly the reconciliations for each series have not been disclosed separately

Refer Notes (i) to (iii) below

Notes

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Austin Ligon	1,92,730	5.59%	1,92,730	5.59%
Vinay Vinod Sanghi with Seena Vinay Sanghi	4,50,050	13.05%	4,50,050	13.05%
Bina Vinod Sanghi with Vinay Vinod Sanghi	4,50,000	13.05%	4,50,000	13.05%
Shree Krishna Trust	7,00,050	20.30%	7,00,050	20.30%
Highdell Investment Ltd	6,11,981	17.74%	6,11,981	17.74%
Macritchie Investments Pte. Ltd.	5,92,650	17.18%	5,92,650	17.18%
8% Non-cumulative Compulsorily Convertible Preference Shares (Series A to G)				
CMDB II	56,75,595	16.26%	56,75,595	16.26%
Highdell Investment Ltd	1,45,26,693	41.62%	1,45,26,693	41.62%
MacRitchie Investments Pte. Ltd.	1,08,34,252	31.04%	1,08,34,252	31.04%
Springfield Venture International	31,82,038	9.12%	31,82,038	9.12%

(ii) Terms/rights attached to equity shares

(a) Voting rights

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(b) Dividend distribution rights:

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of section 123 of the Companies Act, 2013, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(iii) Terms of conversion/ redemption of CCPS

(a) Series A Preference shares are compulsorily convertible on exercise of the conversion option by the preference shareholders at any time during the conversion period of 20 years from the date of issue i.e. 08.12.09 or on the expiry of the conversion period or immediately prior to the filing by the Company of its draft offer document with SEBI.

(b) Series B Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 15.12.10 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(c) Series C Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 02.09.11 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(d) Series D Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 09.10.14 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(e) Series E Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 04.08.15 & 25.08.15 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(f) Series F Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 12.01.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(g) Series F1 Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 29.04.16 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(h) Series G Preference shares are compulsorily convertible on the expiry of the conversion period of 20 years from the date of issue i.e. 03.02.17 or immediately prior to the filing by the Company of its draft offer document with SEBI.

(i) The conversion ratio for all the above preference shares is 1:1 except Series E, where the conversion is 1:1.11

(j) If the Company declares any dividend, in any Financial Year, each holder of Preference Shares shall, on a pari passu basis and subject to applicable Law, be entitled to receive a non-cumulative preferential dividend at the rate of 8% (Eight Percent).

12A. Other equity

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities premium account	1,45,456.71	1,45,456.71
(b) Share option outstanding account	3,425.52	2,060.62
(c) Retained earnings	(25,298.61)	(26,811.46)
(d) Money Received against Share Warrant	4.46	4.46
(e) Capital Reserve on consolidation	33.80	33.80
(f) Other reserves	(608.83)	(608.83)
Total	1,23,013.05	1,20,135.30

12A.1. Securities premium account

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,45,456.71	1,45,456.71
Balance at end of year (refer note a below)	1,45,456.71	1,45,456.71

12A.2. Share option outstanding account (Refer Note 31 A)

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	2,060.62	848.62
Recognition of Share based payments	1,364.90	1,212.00
Balance at end of year (refer note b below)	3,425.52	2,060.62

12A.3 Retained earnings

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(26,811.46)	(28,459.22)
Profit for the year	1,879.08	1,658.50
Adjustment towards Augeo acquisition	28.59	-
Adjustment pursuant to Ind AS 116 adoption	(400.73)	-
Other comprehensive income arising from remeasurement of defined benefit obligation (net of income tax)	5.91	(10.74)
Balance at end of year	(25,298.61)	(26,811.46)

12A.4 Money Received against Share Warrant (Refer note 30)

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	4.46	4.46
Balance at end of year	4.46	4.46

12A.5 Capital Reserve on consolidation

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	33.80	33.80
Balance at end of year	33.80	33.80

12A.6 Other reserves

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(608.83)	(608.83)
Balance at end of year	(608.83)	(608.83)

12B: Non Controlling Interest

(Rupees in Lakhs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	4,129.56	2,969.89
Addition pursuant to Augeo acquisition (refer note 34)	50.00	-
Share of total comprehensive income for the year	1,069.04	1,159.67
Balance at end of year	5,248.60	4,129.56

A] Securities premium account

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

B] Share option outstanding account

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees.

MXC Solutions India Private Limited
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020
13. Provisions
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
Provision for employee benefits (Refer Note 23)				
Gratuity	69.16	417.38	77.74	352.22
Compensated absences	258.69	1.71	213.71	-
Total	327.85	419.09	291.46	352.22

14. Trade Payables
(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
Dues to Micro, Small and Medium Enterprises*	-	3.02
Dues to Others	1,956.33	3,352.60
Total	1,956.33	3,355.62

*Information regarding the total outstanding dues of Micro Enterprises and Small Enterprises is given to the extent the same is available with the Group.

15. Other Financial Liabilities (Current)
(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Security deposit received from customers	3,585.35	3,820.04
(ii) Security deposit payable (refer note 2.3 R)	89.31	198.65
(iii) Temporary credit balance in bank accounts	-	133.54
Total	3,674.66	4,152.23

16. Other Liabilities
(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Current	Non Current	Current	Non Current
(i) Advances received from customers	43.70	-	53.44	-
(ii) Deferred Revenue	586.63	-	488.87	-
(iii) Statutory Dues	501.77	-	659.98	-
Others - Buyer security deposits	-	-	-	-
(iv) Employee related liabilities	1,257.26	-	335.37	-
(v) Other liabilities	-	-	0.66	-
(vi) Capital creditors	8.24	-	-	-
(vii) Lease equilisation reserve	-	-	22.98	-
(viii) Employee Deposit	-	9.91	-	-
Total	2,397.60	9.91	1,561.30	-

MXC Solutions India Private Limited

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020

17. Revenue from operations**(Rupees in Lakhs)**

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<u>Revenue from rendering of services</u>		
i) Advertisement Income	5,867.85	5,108.60
ii) Facilitation and other related fees	18,165.69	15,544.55
iii) Lead generation revenue	2,858.27	2,084.22
iv) Subscription Fees	904.32	964.23
v) Rental income	-	527.08
vi) Other operating revenues	279.60	99.11
<u>Revenue from Sale of Goods</u>		
Sale of Used cars	1,752.47	-
Total	29,828.20	24,327.79

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to Advertisement, Lead sales , facilitating the buyer/sellers to sell their trucks and commercial vehicles and also provide valuation & inspection services to customers. Based on internal reporting provided to the Chief operating decision maker, the Group's operations predominantly related operating and managing a media / platform for the automotive sector through advertising, listing, auction and other services, which are subject to same risk and rewards. Accordingly, there is only one reportable segment.

17.1 Performance Obligations: for the detailed performance obligation refer note 2.3 (F)

17.2 Contract Balances**(Rupees in Lakhs)**

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Trade Receivables	4,669.21	4,001.82
Contract Assets (net of provision Rs. 60.17 lakhs (March 31, 2019- Nil))	1,796.04	-
Contract Liabilities	(630.33)	(542.31)

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. In March 2020, Rs. 558.45 lakhs (March 2019: Rs. 290.34 lakhs) was recognised as provision for expected credit losses on trade receivables

MXC Solutions India Private Limited
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020
18. Other Income
(Rupees in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
a) Interest Income		
i) On Bank deposits	20.10	18.51
ii) Loan to related party	233.83	199.33
iii) On Income Tax Refund	34.38	37.99
iv) On Security Deposits	-	1.94
v) Subordinated debts and non-convertible debentures	89.37	59.97
vi) Others	-	2.94
	377.68	320.68
b) Net gain on investment carried at fair value through Profit and Loss		
i) Gain on fair valuation of financial instruments	1,435.89	1,824.34
ii) Gain on redemption of mutual funds	23.99	39.78
	1,459.88	1,864.12
c) Other Non-Operating Income		
i) Liabilities no longer required written back	72.78	109.02
ii) Cross charge	45.18	-
iii) Profit on sale of Property, Plant and Equipment (Net)	2.85	1.07
iv) Interest on loan to employees	2.75	2.25
v) Miscellaneous Income	42.08	46.49
	165.64	158.83
Total	2,003.20	2,343.63

MXC Solutions India Private Limited
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2020
19. Employee benefits expense
(Rupees in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Salaries , wages and bonus	11,088.71	10,757.07
Gratuity (Refer note 23)	151.66	120.45
Contributions to provident and other funds	518.84	410.73
Share-based payments to employees (Refer note 31 A)	1,364.90	1,212.00
Staff welfare expenses	294.52	260.53
Total	13,418.63	12,760.78

20. Finance cost
(Rupees in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Bank charges	69.96	53.22
Interest on lease liability	344.75	-
Interest on others	4.19	4.02
Total	418.90	57.24

21. Other expenses
(Rupees in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Power and fuel	225.79	199.59
Rent	566.61	1,259.15
Royalty paid	159.97	137.65
Buyer/seller facilitation expenses	602.11	739.11
Security charges	1,883.67	353.27
Inspection and Valuation Charges	931.01	1,094.68
Repairs and maintenance - Others	230.89	267.01
Directors Sitting Fees	-	4.60
Rates and taxes	232.98	36.08
Telephone and Communication	294.85	278.21
Travelling and conveyance	1,253.72	1,181.86
Legal and professional fees	695.53	889.32
Payments to auditors (Refer Note 39)	57.29	48.35
Advertisement, Marketing and Sales Promotion Expenses	2,406.71	2,034.34
Corporate social responsibility expenses (Refer note 38)	53.62	5.00
Business Outsourcing Expense	236.69	223.92
Website Hosting Charges	231.12	195.04
Impairment allowance on receivables	343.31	57.55
Bad Debts Written Off	8.73	65.05
Advances written off	-	8.21
Membership and Subscription fees	30.19	47.54
Miscellaneous expenses	329.28	218.08
Total	10,774.07	9,343.60

Note 22. Income Tax**i) Income tax recognised in statement of profit and loss****(Rupees in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Current tax</u>		
In respect of the current year	1,417.59	1,057.96
In respect of prior years	52.33	-
	1,469.92	1,057.96
<u>Deferred tax</u>		
In respect of the current year	(300.48)	48.84
Total income tax expense	1,169.44	1,106.80

ii) The Income tax expense for the year can be reconciled to the accounting profit as follows:**(Rupees in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	4,091.72	3,934.79
Income tax expense at enacted tax rate	1,111.21	1,243.51
Effect of expenses that are not deductible in determining taxable profit	448.73	235.56
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	2,323.10	(267.17)
Effect of expenses that are not deductible in determining taxable profit , but not claimed as an expense in books	(2,775.10)	-
Effects of Deferred Tax	-	48.84
Minimum Alternate Tax (MAT) credit not recognised as DTA	-	80.00
Adjustments recognised in the current year in relation to the current tax of prior years	52.33	(232.00)
Others	4.96	-
Effect of difference in rate of taxation	4.21	(1.94)
Income tax expense recognised in profit or loss	1,169.44	1,106.79

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for 2019-20 and 25.75% for 2018-2019 for MXC and 25.17% for 2019-20 and 29.12 % for 2018-19 for SAMIL payable by corporate entities in India on taxable profits under the Indian tax law.

Pursuant to the Taxation Laws (Amendment) Act, 2019, corporate assesses have been given the option under section 115BBA of the Income Tax Act, 1961 to apply lower income tax rate with effect from 01 April 2019, subject to certain conditions specified therein. The Group Company has assessed the impact of the Ordinance and has availed the beneficial (lower) rate of tax.

Note 23: Employee Benefits

a) Defined Contribution Plans

The Group makes contributions towards a provident fund under a defined contribution retirement benefit plan for qualifying employees. The provident fund is administered by Employee Provident Fund Organisation. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Both the employees and the Group make pre-determined contributions to the provident fund. Amount recognized as expense amounts to Rs. 518.84 Lakhs (March 31, 2019 : Rs. 410.73 Lakhs) under contributions to provident and other funds (Note 19 Employee benefits expense)

b) Defined Benefit Plans

(i) The Group makes annual contribution towards gratuity to an unfunded / funded defined benefit plan for qualifying employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognises each period, of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ii) The plan typically exposes the Company to actuarial risk such as interest rate risk, salary risk and demographic risk:

Interest rate risk - The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary risk - Higher than expected increases in salary will increase the defined benefit obligation.

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

iii) The most recent actuarial valuation of the defined benefit obligation was carried out as at March 31, 2020 by an independent actuary

iv) The details in respect of the amounts recognised in the Company's financial statements for the year ended March 31, 2020 and March 31, 2019 for the defined benefit scheme is as under:

Particulars	(Rupees in Lakhs)	
	Gratuity	
	As at March 31, 2020	As at March 31, 2019
I. Principal Actuarial assumptions		
Discount rate	5.60% - 6.85%	7.45%-7.88%
Expected rate of salary increase	5.00% - 8.00%	5.00% - 10.00%
Mortality tables	IALM (2006-08) Ult., 100% of IALM 2012-14	IALM (2006-08) Ult.
Withdrawal Rates		
MXC Solutions India Private Limited	20% p.a. at younger ages reducing to 23% p.a. at older ages	25% at younger ages reducing to 1% at older ages.
Erstwhile known as Automotive Exchange Private Limited	-	20% at age band 21-30, 16% at age band 31-40, 23% at age band 41-57.
Shriram Automall India Limited and Its subsidiaries (SAMIL)	For service upto 5 years 10% and below 10.00% p.a. and for service more than 5 years 5.00% p.a.	For service 4 years and below 10.00% p.a. and for service 5 years and above 5.00% p.a.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
II. Components of defined benefit costs recognised in the Statement of Profit and loss		
Service cost:		
Current service cost	120.57	100.24
Past service cost and (gain) / loss from settlements	-	-
Net interest expense	53.58	24.76
Remeasurements	-	-
Expected return on plan assets	(22.49)	-
Components of defined benefit costs recognised in the Statement of Profit and loss (Refer Note 1 and 2 below)	151.66	125.00

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
III. Components of defined benefit costs recognised in the other comprehensive income		
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding the amount included in net interest cost)	12.82	5.45
Actuarial (gains) / losses arising from changes in financial assumptions	(16.69)	13.58
Actuarial (gains) / losses arising from changes in demographic assumptions	(84.27)	
Actuarial (gains) / losses arising from changes in experience adjustments	139.27	9.98
Components of defined benefit costs recognised in other comprehensive income *	51.13	29.01

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
V. Change in the defined benefit obligation		
Opening defined benefit obligation	721.85	596.20
On acquisition of SAMIL	10.25	-
Liability Transferred out / divestments	(9.03)	-
Current service cost	120.57	98.49
Liability transferred in/acquisitions	-	26.29
Liability transferred out/divestment	-	(0.06)
Effect of Changes in Foreign Exchange Rates	-	(19.10)
Interest cost	53.58	45.95
Remeasurement (gains)/losses:	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(41.92)	13.58
Actuarial (gains) / losses arising from changes in demographic assumptions	(1.79)	
Actuarial (gains) / losses arising from changes in experience adjustments	5.39	9.98
Benefits paid	(63.70)	(49.49)
Closing defined benefit obligation	795.20	721.85

Particulars	Gratuity (funded)	
	As at March 31, 2020	As at March 31, 2019
VI. Change in the Fair value of Plan Assets :		
Fair Value of Plan Assets at the Beginning of the period	291.90	275.63
Interest Income on plan Assets	22.49	21.72
Contributions by the Employer		19.10
Benefit Paid	(18.54)	(19.10)
Return on Plan Assets	12.82	(5.45)
Fair Value of Plan Assets at the End of the Period	308.67	291.90

Particulars	Gratuity (funded)	
	As at March 31, 2020	As at March 31, 2019
VII. Disaggregation of Assets :		
Category of Assets -		-
Insurance Fund	308.67	291.90

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis for Entities other than SAMIL

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation - Discount Rate + 50 basis points	438.08	358.49
Defined Benefit Obligation - Discount Rate - 50 basis points	460.08	381.84
Defined Benefit Obligation - Salary Escalation Rate + 50 basis points	459.84	381.72
Defined Benefit Obligation - Salary Escalation Rate - 50 basis points	438.20	358.50

Sensitivity Analysis for SAMIL and its subsidiaries

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation - Discount Rate + 10 basis points	34.50	27.73
Defined Benefit Obligation - Discount Rate - 10 basis points	41.04	32.04
Defined Benefit Obligation - Salary Escalation Rate + 10 basis points	41.42	32.04
Defined Benefit Obligation - Salary Escalation Rate - 10 basis points	35.71	28.57
Defined Benefit Obligation - Rate of employee turnover + 10 basis points	11.48	6.18
Defined Benefit Obligation - Rate of employee turnover - 10 basis points	19.54	6.98

These sensitivities have been calculated above to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Maturity Analysis of the Benefit Payments :

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Within the next 12 months (next annual reporting period)	85.12	82.46
Between 2 and 5 years	320.10	280.35
Between 5 and 10 years	325.99	299.12
Beyond 10 years	609.51	625.81

c. Leave plan and compensated absences

The liability for compensated absences as at the year end is Rs. 260.39 Lakhs (2019: Rs. 213.72 Lakhs) shown under provisions.

Refer table I above for actuarial assumption on compensated absences.

Note 24: Segment reporting

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services and major customers. The Company's operations pre-dominantly relate to Advertisement, Lead sales , facilitating the buyer/sellers to sell their trucks and commercial vehicles and also provide valuation & inspection services to customers. Based on internal reporting provided to the Chief operating decision maker, the Group's operations predominantly related operating and managing a media / platform for the automotive sector through advertising, listing, auction and other services, which are subject to same risk and rewards. Accordingly, there is only one reportable segment.

As per management approach as defined in Ind AS 108, management committee reviews and monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.

Geographical Revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

Particulars	(Rupees in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from customers		
- India	27,440.76	23,569.93
- Outside India	574.81	757.86
Total Revenue	28,015.57	24,327.79

(Rupees in Lakhs)

Note 25 Leases

The Group has adopted Ind AS 116 "Leases" from April 01, 2019, which resulted in changes in accounting policies in the financial statements.

Transition

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. The Company has recognised assets of Rs. 4,829.57 lakhs and liability of Rs. 4,962.98 lakhs and has taken the cumulative adjustment to of Rs.400.73 lakhs to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

The following is the summary of practical expedients elected on initial application:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.40% with maturity between 2021-2026. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

As at 1 April 2019	1,654.84
Additions (Note 3)	2,822.46
Depreciation expense (Note 3)	(834.12)
As at 31 March 2020	3,643.18

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at 1 April 2019	2,112.03
Additions	2,859.70
Accretion of interest	348.94
Payments	(1,105.67)
As at 31 March 2020	4,215.00

Current	757.75
Non-current	3,457.24

The following are the amounts recognised in Profit or Loss:

	31 March 2020
Depreciation expense of right-of-use assets	834.12
Interest expense on lease liabilities	344.75
Expense relating to Long-term leases (included in other expenses)	(681.57)
Other expenses (lease payments)	(424.10)
Total amount recognised in Profit or Loss	73.20

The Group had total cash outflows for leases of INR 1,096.93 lakhs in 31 March 2020 (31 March 2019 INR Nil). The Group also had non-cash additions to right-of-use assets INR 2,822.46 and lease liabilities of INR 2,859.70 in 31 March 2020 (31 March 2019 INR Nil).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	More than five years	Total
Extension options expected not to be exercised	3,773.68	1,440.38	5,214.06
Termination options expected to be exercised	-	-	-

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rental expense recorded for short-term leases was ₹ Nil for the year ended March 31,2020. The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Standalone Statement of Profit and Loss.

The effect of adoption of Ind AS 116 is as follows:

Balance Sheet

	As at 31 March 2020
Assets	
Right-of-use assets	3,643.18
Total assets	3,643.18
Equity	
Retained earnings	(571.82)
Total equity	(571.82)
Liabilities	
Lease liabilities	4,215.00
Total liabilities	4,215.00

Income Statement

	For the year ended 31 March 2020
Depreciation and amortisation	834.12
Other expenses	(424.10)
Finance cost	344.75
Loss /(Profit) for the year	754.77

Statement of cash flows (increase/(decrease))

	For the year ended 31 March 2020
Depreciation on right-of-use assets	834.12
Interest Cost	344.75
Cash generated from/(used in) operations (A)	1,178.87
Proceeds from Lease liabilities	834.12
Interest on lease liabilities	(344.75)
Net cash flows from financing activities (B)	489.37
Net increase in cash and cash equivalents during the year (A+B)	-

There is no material impact on other comprehensive income or the basic and diluted earnings per share.

MXC Solutions India Private Limited**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2020****Note 26: Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic		
Profit for the year attributable to ordinary shareholders (In Rs.)	2,922.28	2,827.99
Weighted average number of equity shares in calculating EPS (number)	34,49,303	34,49,303
Basic Earnings per ordinary shares (In Rs.)	84.72	81.99
Diluted		
Profit for the year attributable to ordinary shareholders (In Rs.)	2,922.28	2,827.99
Weighted average number of ordinary shares for basic EPS	34,49,303	34,49,303
Add: Effect of employee stock option	26,88,268	26,53,268
Add: Effect of convertible share warrant	17,16,752	17,16,752
Add: Effect of convertible preference shares	3,52,99,477	3,52,99,477
Weighted average number of ordinary shares and potential ordinary shares for diluted EPS	4,31,53,800	4,31,18,800
Diluted Earnings per ordinary shares (In Rs.)	6.77	6.56

MXC Solutions India Private Limited

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2020

Note 27 : Financial Instruments**(i) Capital management**

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2020, the Group has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for re-investment into business based on its long term financial plans.

(ii) Categories of financial instruments**(Rupees in Lakhs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at FVTPL		
Current Investments - Mutual Funds	27,419.52	28,533.85
Investment in Debentures	2,055.08	-
Measured at amortised cost		
Investments in subordinated debts	341.02	369.67
Loan	3,799.55	2,595.00
Trade Receivables	4,669.21	4,001.82
Cash and cash equivalents	1,948.58	2,158.65
Other bank balances	210.78	4.00
Other financial assets	2,541.42	838.51
Financial liabilities		
Measured at amortised cost		
Trade payables	1,956.33	3,355.62
Other financial liabilities	3,674.66	4,152.23

(iii) Financial risk management objectives

The Group monitors and manages the financial risks relating to the operations of the entity through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

(iii)(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. Considering the small quantum and short period of foreign currency exposure on an ongoing basis, the Group does not consider it necessary to hedge these exposures.

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

Foreign Currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the small quantum and short period of such exposure.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, which are not hedged:

(Rupees in Lakhs)

Currency	Assets as at	
	As at March 31, 2020	As at March 31, 2019
USD	-	62.72
SGD	-	0.17

Foreign Currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the Rupees against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees strengthens 5% against the relevant currency. For a 5% weakening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	(Rupees in Lakhs)	
	Currency impact	
	As at March 31, 2020	As at March 31, 2019
USD	-	3.14
SGD	-	0.01
Impact on profit or loss for the year	-	3.14

The Group's sensitivity to foreign currency has decreased during the current year mainly due to the increase in liabilities denominated in USD and corresponding increase in assets denominated in the current financial year which has resulted in lower net assets balance as compared to previous year. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. The sensitivity to foreign currency of equity is not measured since there are no foreign currency exposures which affect equity directly.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(iii)(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group obtains market feedback on the creditworthiness of the customer concerned. Customer wise outstanding receivables are reviewed on a monthly basis and where necessary, the credit allowed to particular customers for subsequent sales is adjusted in line with their past payment performance. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management on a quarterly basis.

(iii)(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2020

Particulars	(Rupees in Lakhs)		
	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	1,956.33	-	1,956.33
Other financial liabilities	3,674.66	-	3,674.66
Total	5,630.99	-	5,630.99

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019

Particulars	(Rupees in Lakhs)		
	Due in 1st year	Due in 5+ years	Carrying amount
Financial Liabilities			
Trade payables	3,355.62	-	3,355.62
Other financial liabilities	4,152.23	-	4,152.23
Total	7,507.85	-	7,507.85

Note 28: Fair Value Measurement**Fair value of financial assets and financial liabilities that are measured at fair value on recurring basis**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. In accordance with Ind AS, the Company's investments in debt mutual funds have been fair valued. The Company has designated investments as fair value through profit and loss. Management assessed that the carrying values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

(Rupees in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets at amortised cost:</u>				
Investments in subordinated debts	341.02	341.02	369.67	369.67
Loan	3,799.55	3,799.55	2,595.00	2,595.00
Trade Receivables	4,669.21	4,669.21	4,001.82	4,001.82
Cash and cash equivalents	1,948.58	1,948.58	2,158.65	2,158.65
Other bank balances	210.78	210.78	4.00	4.00
Other financial assets	2,541.42	2,541.42	838.51	838.51
Financial Liabilities				
<u>Financial liabilities held at amortised cost:</u>				
Trade payables	1,956.33	1,956.33	3,355.62	3,355.62
Other financial liabilities	3,674.66	3,674.66	4,152.23	4,152.23

The Company uses the hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques as mentioned in Note 5:

(Rupees in Lakhs)

Financial Asset/ Financial Liabilities	Fair Value		Fair Value Hierarchy	Valuation technique and
	As at March 31, 2020	As at March 31, 2019		
Financial assets				
Investment in Mutual Fund	27,419.52	28,533.85	Level 1	NAV issued by third party
Investment in Debentures	2,055.08	-	Level 1	Quoted prices in active markets

MXC Solutions India Private Limited

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2020

Note 29: Related party transactions

A .Details of related parties

Description of relationship	Names of related
Key Management Personnel	Mr. Vinay Sanghi
Relatives of key management personnel	Mr. Varun Sanghi
Enterprise having significant influence over the subsidiary Company	Shriram Transport Finance Company Limited

(Rupees in Lakhs)

S. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Nature of Transactions/ Names of Related Parties		
A	Key management personnel		
1	Vinay Sanghi		
a	Remuneration	474.23	447.03
B	Enterprises having significant influence over the the subsidiary Company		
1	Shriram Transport Finance Company Limited		
	Payments / Expenses		
a	Revenue from contracts with customers	1,773.86	673.29
b	Other income	45.18	-
c	Interest on loan	233.83	199.33
d	Interest on subordinated debt	71.45	36.84
e	'Other expenses	536.28	801.20
f	Unsecured loan given	2,500.00	5,265.00
C	Relatives of key management personnel		
1	Varun Sanghi		
a	Remuneration	16.76	10.35

(Amount in Lakhs)

S. No.	Particulars	As at March 31, 2019	As at March 31, 2018
	Balance outstanding		
A	Shriram Transport Finance Company Limited		
1	Inter-corporate deposit (Receivable)	3,785.00	2,595.00
2	Investment in sub debt & NCD	2,305.58	226.89
3	Interest Receivable	197.39	96.24
4	Trade Payable	-	57.70
5	Trade receivable	5.93	-

Note 30: Share Warrants**Share Warrant 1.**

The Board of Directors of MXC Solutions India Private Limited ("holding company") at their meeting held on 24 September, 2014 and as approved at its Extra Ordinary General Meeting held on 24 September, 2014 had resolved to create, offer, issue and allot 800,000 warrants, convertible into 800,000 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, 2013 at a conversion price of Rs. 117/- per Equity share of the holding company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 400,000 was received from him. The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

Share Warrant 2.

The Board of Directors of MXC Solutions India Private Limited ("holding company") at their meeting held on 16 December, 2016 and as approved at its Extra Ordinary General Meeting held on 20 December, 2016 had resolved to create, offer, issue and allot 776,707 and 140,045 warrants, convertible into 776,707 and 140,045 Equity shares of Rs. 10/- each on a preferential allotment basis, pursuant to the provisions of the Companies Act, 2013 at a conversion price of Rs. 510/- and Rs. 596/- respectively per Equity share of the holding company, rights to Mr. Vinay Sanghi in accordance with the terms of the Warrant subscription agreement and the application money amounting to Rs. 45,837.6 was received from him. The warrants may be converted into equivalent number of shares after conversion date (i.e., earlier of trigger date or 4 years from date of issue) upto period of 15 years from date of issue on payment of the balance amount.

Note 31: Employee Stock Option Scheme

(a) In 2010, 2011, 2014 and 2015 the Company had instituted an Equity settled "Employee Stock Option Plan 2010" (ESOP 2010), "Employee Stock Option Plan 2011" (ESOP 2011), "Employee Stock Option Plan 2014" (ESOP 2014) and "Employee Stock Option Plan 2015" (ESOP 2015) for its employees and directors. The "ESOP 2010", "ESOP 2011", "ESOP 2014" and "ESOP 2015" are administered through by the Board. Under the scheme, the Board has accorded its consent to grant options exercisable into not more than 554,131 (under "ESOP 2010"), 970,478 (under "ESOP 2011") 306,123 (under "ESOP 2014") and 1,731,827 (under "ESOP 2015") Equity Shares of Rs. 10/- each of the Company.

(b) The vesting of the options is as follows:

Vesting Date	Maximum number / % of Options that shall vest			
	ESOP 2010	ESOP 2011	ESOP 2014	ESOP 2015
1 year from the Grant Date	25%	25%	25%	25%
2 years from the Grant Date	25%	25%	25%	25%
3 years from the Grant Date	25%	25%	25%	25%
4 years from the Grant Date	25%	25%	25%	25%
Total	100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%	100 (One Hundred)%

The options granted and outstanding by the Company are 197,500 (March 31, 2019 : 197,500) options under "ESOP 2010", 760,058 options (March 31, 2019 : 760,058) under "ESOP 2011", 300,710 options (March 31, 2019 : 300,710) under "ESOP 2014" and 14,30,000 options (March 31, 2019 : 1,395,000) under "ESOP 2015". The options can be exercised as per provisions of the scheme which is based on listing of the shares of the Company on a recognised stock exchange. If the Company does not have an IPO within six years from the date of the first Grant, the Scheme will be referred back to the Board. All live Options, if any, will lapse at the end of ten years from the date of Grant of Options.

(c) The details of the options are as under:

(i) ESOP 2010

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	1,97,500	1,97,500
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	1,97,500	1,97,500

Total options vested until March 31, 2020 are 197,500 (March 31, 2019 :197,500) (options vested during the year are NIL March 31, 2019: NIL). The weighted average exercise (WAE) price is Rs.19.16 (March 31, 2019: Rs.19.16), weighted average of expected life (WAL) is 1 year (March 31, 2019 : 2 year), weighted average fair value of options is Rs 4.08 (March 31, 2019 : Rs.4.08)

(ii) ESOP 2011

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	7,60,058	7,60,058
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	7,60,058	7,60,058

Total options vested until March 31, 2020 are 760,058 (March 31, 2019: 760,058) (options vested during the year NIL (March 31, 2019 : NIL)).The weighted average exercise (WAE) price is Rs.28.74 (March 31, 2019 : Rs.28.74) ,weighted average of expected life (WAL) is 3 years (March 31, 2019 :4 Years) and weighted average fair value of options is Rs 10.50 (March 31, 2019 : Rs.10.50)

(iii) ESOP 2014

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	3,00,710	3,00,710
Options granted during the year	-	-
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	3,00,710	3,00,710

Total options vested until March 31,2020 are 300,710 (March 31, 2019 : 300,710) (Options vested during the year are NIL (March 31, 2019 : NIL)). The weighted average exercise (WAE) price is Rs.282.78 (March 31, 2019 : Rs.282.78) ,weighted average of expected life (WAL) is 5 years (March 31, 2019: 6 years) and weighted average fair value of options is Rs 2.93 (March 31, 2019 : Rs.2.93)

(iv) ESOP 2015

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	13,95,000	9,65,000
Options granted during the year	35,000	4,30,000
Options lapsed during the year	-	-
Options cancelled during the year	-	-
Options exercised during the year	-	-
Options granted and outstanding at the end of the year	14,30,000	13,95,000

Total options vested until March 31,2020 are 997,500 (March 31, 2019 : 781,250)(options vested during the year are 216,250 (March 31, 2019:108,750).The weighted average exercise (WAE) price is Rs.206.73 (March 31, 2019 : Rs.206.73) , weighted average of expected life (WAL) is 7 years (March 31, 2019 :8 Years), weighted average fair value of options is Rs 136.57 (March 31, 2019 : Rs.136.57)

(d) Fair Valuations of Options Granted

The following table list the inputs to the Black Scholes Model used for the options granted during the year ended March 31, 2020.

ESOP Scheme	Grant date	Volatility	Risk Free Interest Rate	Weighted Average fair value
ESOP 2015 (E)	01-08-2018	44.40%	7.85%	424.20
		44.10%	7.89%	436.19
		43.40%	7.91%	446.10
		43.70%	7.94%	458.11
ESOP 2015 (F)	15-10-2018	44.10%	7.87%	423.65
		44.20%	7.85%	436.13
		43.50%	7.92%	446.57
		43.30%	7.98%	457.54
ESOP 2015 (G)	01-08-2019	46.70%	6.50%	589.29
		46.70%	6.50%	589.29
		46.70%	6.50%	589.29
		46.70%	6.50%	589.29

The weighted average share price considered for fair valuation of above options was INR 825.1 (March 31, 2019: INR 674.06).

Dividend yield is considered to be zero for each share options.

Note 31 B :- SAMIL Employee stock option plans

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2020 an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On 27 April 2018, the extra general meeting of shareholders & NRC (Nomination and Remuneration committee) granted option aggregating to 6,75,000 options at an exercise price of ₹ 50 per share to the employees of the Company (other than CEO and Whole-time Director) and the employee of the subsidiary companies under SAMIL ESOP Plan-I. Also, On August 16, 2020, the board of directors approved 782,000 options & 521,740 options at exercise price of ₹ 10 per share under SAMIL ESOP Plan-II & SAMIL ESOP Plan-III respectively. The options are subject to satisfaction of the prescribed vesting conditions, viz., continuing employment with the Company. The above plan is covered under SAMIL ESOP Plan-I. The other relevant terms of the grant are as below:

	ESOP PLAN-I	ESOP PLAN-II	ESOP PLAN-III
Date of Grant	27-Apr-18	16-Aug-18	16-Aug-18
Date of Board/Committee Approval	20-Apr-18	14-Aug-18	14-Aug-18
Date of Shareholder's approval	27-Apr-18	16-Aug-18	16-Aug-18
No of Options under the Scheme	9,78,261	7,82,609	8,47,826
Number of option granted	6,75,000	7,82,609	521,740*
Method of settlement (Cash/Equity)	Equity	Equity	Equity
Vesting Period	26-April-20 - 25% 26-April-21- 25% 26-April-22-25% 26-April-23-25%	16-Aug-19	16-August-19 - 25% 31-March-20- 25% 31-March-21-25% 31-March-22-25%
Exercise Price per share	50	10	10
Fair value on grant date as per valuation report	26-April-20 - ₹ 37.79 26-April-21- ₹ 40.54 26-April-22- ₹ 43.21 26-April-23- ₹ 45.66	63.95	16-August-19 - ₹ 63.95 31-March-20- ₹ 64.34 31-March-21- ₹ 64.89 31-March-22- ₹ 65.43
Option given to	Employees of the Company (Other than CEO and Whole-time Director) of the Company	CEO and Whole time Director of the Company	CEO and Whole time Director of the Company

Under SAMIL ESOP Plan-III, the Company granted 326,087 performance based stock options to its CEO under its stock options Plan. As per the terms of the agreement, these options shall vest based on achievement of EBITDA target including all its present and future subsidiaries in a Financial Year on or before 31st March 2024. Vesting would be on the date on which the target is achieved. During year-ended March 31, 2019, the Company determined fair value and assessed it to be not probable and accordingly, did not account for compensation expense. During year-ended March 31, 2020, as part of its annual re-assessment, the Company assessed the target to be achievable and accordingly, has recognized compensation expense on a straight-line basis over the remaining vesting period ending on March 31, 2024.

The details of activities of SAMIL ESOP Plan-I

	March 31, 2020		March 31, 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	6,75,000	50.00	-	-
Granted during the year	-	-	6,75,000	50.00
Forfeited during the year	61,000	50.00	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	6,14,000	50.00	6,75,000	50.00
Vested but not exercised	-	-	-	-

The details of activities of SAMIL ESOP Plan-II

	March 31, 2020		March 31, 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	7,82,609	10.00	-	-
Granted during the year	-	-	7,82,609	10.00
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	7,82,609	10.00	7,82,609	10.00
Vested but not exercised	7,82,609	10.00	-	-

The details of activities of SAMIL ESOP Plan-III

	March 31, 2020		March 31, 2019	
	No. of options	WAEP (in ₹)	No. of options	WAEP (in ₹)
Outstanding at the beginning of the year	5,21,740	10.00	-	-
Granted during the year	-	-	5,21,740	10.00
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Effect of share split	-	-	-	-
Effect of bonus issue	-	-	-	-
Outstanding at the end of the year	5,21,740	10.00	5,21,740	10.00
Vested but not exercised	2,60,870	10.00	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

SAMIL Plan -I				
	Vesting I	Vesting II	Vesting III	Vesting IV
	26 April 2020	26 April 2021	26 April 2022	26 April 2023
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility	27.20%	26.80%	27.70%	28.70%
Risk-free interest rate	7.76%	0.07836	0.07861	0.07855
Weighted average fair market price (Rs.)	71.56	71.56	71.56	71.56
Exercise price (Rs.)	50	50	50	50
Expected life of options granted in years	4.50	5.50	6.50	7.50
Weighted average fair value of option at the time of grant (Rs.)	37.79	40.54	43.21	45.66

SAMIL Plan-II	
	Vesting I
	16 August 2019
Dividend yield (%)	0.00%
Expected volatility	29.00%
Risk-free interest rate	0.07803
Weighted average fair market price (Rs.)	71.56
Exercise price (Rs.)	10
Expected life of options granted in years	3.50
Weighted average fair value of option at the time of grant (Rs.)	63.95

SAMIL Plan-III				
	Vesting I	Vesting II	Vesting III	Vesting IV
	16 August 2019	31 March 2020	31 March 2021	31 March 2022
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility	28.10%	27.20%	26.50%	26.60%
Risk-free interest rate	0.07803	0.07896	0.07924	0.08007
Weighted average fair market price (Rs.)	71.56	71.56	71.56	71.56
Exercise price (Rs.)	10	10	10	10
Expected life of options granted in years	3.50	4.12	5.12	6.12
Weighted average fair value of option at the time of grant (Rs.)	63.95	64.34	64.89	65.43

Note 32: Capital and other commitments

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	94.08	62.46

Note 33: Contingent Liabilities not provided for

(Rupees in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax (refer note (i) below)	36.99	20.67
Services Tax (refer note (ii) below)	48.64	48.64
Maharashtra Value Added Tax (refer note (iii) below)	75.28	191.78

i) Shriram Automall India Limited ("subsidiary company") received notice u/s 143(1) of Income Tax Act'1961, from the Income Tax Authorities requiring the subsidiary company to pay additional tax of ₹ 13.79 lakhs (March 31, 2019 ₹ 13.79 lakhs) for assessment year 2016-17. The management has filed rectification u/s 154 of Income Tax Act'1961. The subsidiary company received notice from the Income Tax Authorities requiring the subsidiary company to pay additional tax of ₹ 23.20 lakhs (March 31, 2019 ₹ 4.39 lakhs) for assessment year 2017-18. The demand pertains to disallowance of disallowances u/s 43(B) and royalty expenses, treating it as capital expenditure. The subsidiary company has filed an appeal with Commissioner of Income Tax (Appeal) contesting the demand made by assessing officer. The management is confident of favourable outcome in Appeal.

ii) Shriram Automall India Limited ("subsidiary company") has received show cause notice during 2015-16, wherein it was alleged that the subsidiary company has incorrectly availed Cenvat Credit of INR 24.56 lakhs (March 31, 2019 INR 24.56 lakhs) on ineligible services not related to the Output and certain capital goods. It was also alleged that the subsidiary company availed Cenvat Credit of INR 17.44 lakhs (March 31, 2019 INR 17.43 lakhs) on input services commonly used in respect of taxable and exempt services. Additionally, adjudicating authority imposed the interest & penalty of INR 42 lakhs (March 31, 2019 42 lakhs), which was confirmed by Commission of Service Tax (Appeal). The subsidiary company has adjusted / paid service tax amounting to INR 36 lakhs (March 31, 2019 36 lakhs) and filed the appeal in Service Tax Appellate Tribunal. The management is confident of favourable outcome in Appeal.

The subsidiary company has received show cause notice during 2015-16 for prior years, wherein it was alleged that the subsidiary company has incorrectly availed Cenvat Credit of ₹ 25.80 lakhs (March 31, 2019 ₹ 25.80 lakhs) and has also not discharged service tax liability of ₹ 44.12 lakhs (March 31, 2019 ₹ 44.12 lakhs) on its output services. The subsidiary company has provided for & paid the demand of ₹ 44.12 lakhs (March 31, 2019 ₹ 44.12 lakhs) and opted for Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019. The subsidiary company has filed the application on October 10, 2019.

iii) Maharashtra VAT authorities have alleged that Shriram Automall India Limited ("subsidiary company") is regularly conducting auction sale of motor vehicles repossessed by financing companies, which are taxable under MVAT Act. However, the subsidiary company has neither obtained registration under MVAT Act nor discharged VAT on the sale of repossessed motor vehicles. As per the authorities, the subsidiary company would qualify as a 'deemed dealer' under the MVAT Act as Section 2(8) of MVAT Act provides that an auctioneer would also be regarded as a 'deemed dealer' and activity of selling/auctioning of repossessed vehicles qualifies as 'sale' under MVAT Act. Accordingly, authorities have imposed VAT (along with interest and penalty) of ₹ 181.28 lakhs (March 31, 2019 ₹ 181.28 lakhs) on the value of motor vehicles auctioned by the subsidiary company. The subsidiary company had filed an appeal before Commissioner (Appeals) against the above Order. The Commissioner (Appeals) has given deduction for the services fees recovered by the subsidiary company from vendors for providing auction services and for the Instances wherein the subsidiary company has produced documents to prove that VAT has been duly paid by the vendor and, passed an OIA against the Company. The subsidiary company has filed an appeal before the Hon'ble Maharashtra Sales Tax Tribunal and the matter is still pending. The Company has paid ₹ 99.03 lakhs (March 31, 2019 ₹ 99.03 lakhs) under protest. The subsidiary company has made provision of ₹ 41 lakhs (net off of payment by vendors of ₹ 65 lakhs) towards demand and remaining amount of ₹ 75.28 lakhs has been disclosed. The management is confident of favourable outcome in Appeal.

iv) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Shriram Automall India Limited ("subsidiary company") has made a provision on a prospective basis from the date of the SC order. The subsidiary company will update its provision, on receiving further clarity on the subject.

Note 34: Acquisitions

On 8th January 2020, the Shriram Automal India Limited has acquired 54.85% of the voting shares of Augeo Asset Management Private Limited, a non-listed Group based in India and specialising in providing wide range of stressed asset management services, e-auction, e-sourcing. The Company acquired Augeo Asset Management Private Limited because it significantly provides knowledge services across diverse industry verticals that empower businesses with greater process and efficiencies.

The Company has elected to measure the controlling interests in the acquiree at fair value.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Augeo Asset Management Private Limited as at the date of acquisition were:

	Fair value recognised on acquisition
	(₹ in Lacs)
Assets	
Property, Plant and Equipment	3.38
Other Intangible Assets	2.45
Capital Work in Progress	8.12
Investments	1
Cash and Cash Equivalents	2.81
Other Financial Assets	1.74
Other Current Assets	5.84
	25.34
Liabilities	
Deferred Tax Liabilities	(0.08)
Borrowings	(1.65)
Trade payables	(18.10)
Other Current Liabilities	(0.44)
Provisions	(6.25)
	(26.52)
Total net assets acquired	(1.18)
Goodwill arising on acquisition	28.59
Purchase consideration transferred	150.00

The Company measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms

Note 35 : Particulars of subsidiaries considered in the preparation of the consolidation Financial Statements:

Name of Subsidiary	Principal activity	Country of Incorporation	Percentage of holding and voting power	
			As at March 31, 2020	As at March 31, 2019
	A	B	C	D
(a) Subsidiaries				
CarTrade Finance Private Limited	Finance	India	100.00%	0.00%
Shriram Automall India Limited	Auctions	India	55.43%	55.43%
(b) Subsidiaries of Shriram Automall India Limited				
Adroit Inspection Services Private Limited (Adroit)	Inspection	India	55.43%	55.43%
CarTrade Exchange Solutions India Private Limited (CTE)	Auctions	India	55.43%	55.43%
Augeo Asset Management Private Limited (Augeo)	Asset management services	India	30.40%	0.00%

SAMIL owns 100% in Adroit, CTE and 54.85% in Augeo, however for purpose of consolidation under MXC, the effective shareholding of MXC in these Companies via SAMIL have been disclosed in column C and D above.

MXC Solutions India Private Limited
Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2020
Note 36: Material partly-owned subsidiaries
Proportion of equity interest held by non-controlling interests

Name	Country of incorporation and operation	March 31, 2020	March 31, 2019
Shriram Transport Finance Limited	India	44.57%	44.57%

Disclosure of Non controlling interest

Particular	March 31, 2020	March 31, 2019
Accumulated balances of material non-controlling interest:	5,101.22	4,099.01
Profit allocated to material non-controlling interest:	1,002.21	1,137.66

Summarised balance sheet of standalone financials as at 31 March 2020:

Particulars	March 31, 2020	March 31, 2019
Property, Plant and Equipment ,Other intangible assets and other non-current assets	9,642.74	7,213.23
Cash and cash equivalents and other financial Assets	12,574.95	8,198.92
	22,217.69	15,412.15
Provisions	256.79	132.13
Trade and other payable	9,806.79	5,764.94
	10,063.58	5,897.07
Total Equity	12,154.11	9,515.08
Equity holders of Parent	7,052.89	5,416.07
Non- Controlling interest	5,101.22	4,099.01

Summarised profit and loss of standalone financials for the year ended 31 March 2020:

Particulars	March 31, 2020	March 31, 2019
Revenue from Operations	15,406.11	13,367.24
Other Income	590.55	398.20
	15,996.66	13,765.44
Other Expenses	12,153.67	10,241.47
Finance Cost	372.41	-
	12,526.08	10,241.47
Profit Before Tax	3,470.58	3,523.97
Tax Expense	1,221.95	990.25
Profit for the year before OCI	2,248.63	2,533.72
Other Comprehensive income (OCI)	-	(18.80)
Profit for the year	2,248.63	2,552.52
Equity holders of Parent	1,246.42	1,414.86
Non- Controlling interest	1,002.21	1,137.66

Summarised Cash flow of standalone financials for the year ended 31 March 2020

	March 31, 2020	March 31, 2019
Operating	1,930.66	2,856.5
Investing	(989.62)	(2,787.39)
Financing	(681.32)	-
Net increase/(decrease) in cash and cash equivalents	259.72	69.14

MXC Solutions India Private Limited

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2020

Note 37: Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for the year ended March 31, 2020

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in lakhs	As % of consolidated profit or loss	Rupees in lakhs	As % of consolidated other comprehensive income	Rupees in lakhs	As % of total comprehensive income	Rupees in lakhs
Parent								
MXC Solutions India Private Limited (MXC)	94.17%	1,24,390.04	31.08%	908.28	(81.51%)	(25.88)	29.87%	882.40
Subsidiaries								
Shriram Automall India Limited (SAMIL)	8.71%	11,508.21	75.47%	2,205.36	88.81%	28.20	75.61%	2,233.56
Cartrade finance Private Limited	0.19%	246.99	(0.10%)	(3.01)	0.00%	-	(0.10%)	-3.01
Subsidiaries of SAMIL & stepdown subsidiaries of MXC								
Adroit Inspection Services Private Limited	0.24%	318.74	2.80%	81.73	24.03%	7.63	3.02%	89.36
CarTradeExchange Solutions Private Limited	0.17%	221.28	3.63%	106.02	67.56%	21.45	4.32%	127.47
Augeo Asset Management Private Limited	0.08%	105.89	(1.80%)	(52.53)	1.11%	0.35	(1.77%)	(52.18)
Non-controlling Interests in all subsidiaries	3.97%	5,248.60	36.58%	1,069.04	0.00%	-	36.19%	1,069.04
Adjustment arising of consolidation	(7.53%)	(9,942.87)	(47.66%)	(1,392.66)	0.00%	-	(47.14%)	(1,392.66)
Total	100.00%	1,32,096.88	100.00%	2,922.24	100.00%	31.75	100.00%	2,953.99

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for the year ended March 31, 2019

Name of the entity in the Group	Net assets, i.e. total assets minus total		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in lakhs	As % of consolidated profit or loss	Rupees in lakhs	As % of consolidated other comprehensive income	Rupees in lakhs	As % of total comprehensive income	Rupees in lakhs
Parent								
MXC Solutions India Private Limited	99.73%	1,27,750.35	9.43%	266.77	(61.86%)	12.59	9.95%	279.36
Subsidiaries								
1. Automotive Exchange Private Limited	2.33%	2,989.03	12.53%	354.38	55.88%	(11.37)	12.22%	343.01
2. Shriram Automall India Limited	7.30%	9,355.65	89.60%	2,533.68	92.42%	(18.81)	89.58%	2,514.87
Subsidiaries of SAMIL & stepdown subsidiaries of MXC								
Adroit Inspection Services Private Limited	0.18%	224.56	0.26%	7.38	5.60%	(1.14)	0.22%	6.24
CarTradeExchange Solutions Private Limited	0.03%	41.14	2.91%	82.41	7.96%	(1.62)	2.88%	80.79
Non-controlling Interests in all subsidiaries	3.22%	4,129.56	41.01%	1,159.67		-	41.31%	1,159.67
Adjustment arising of consolidation	(12.79%)	(16,390.17)	(55.75%)	(1,576.51)		-	(56.15%)	(1,576.50)
Total	100.00%	1,28,100.13	100.00%	2,827.78	100.00%	(20.35)	100.00%	2,807.43

Note 38: Details of CSR expenses**(Rupees in Lakhs)**

Details of CSR expenses		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross amount required to be spent by the Group during the year	53.62	35.65
Amount spent during the year		
(1) Direct expenditure on projects or programs		
(2) Overheads	5.00	5.00
Total	5.00	5.00

Note 39: Payment to auditors**(Rupees in Lakhs)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
To statutory auditor		
i) For Audit fees	35.70	21.00
ii) For Limited review	10.50	-
iii) For other services	9.00	3.00
iv) For reimbursement of expenses	1.79	0.04
Total	56.99	24.04

Note 40: Deferred tax balances

40.1 The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated balance sheet:

Particulars	(Rupees in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	408.03	107.53
	408.03	107.53

Deferred tax asset / (liability) in relation to SAMIL is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset :		
Gratuity and Leave Encashment	63.58	20.43
Financial Instruments at fair value through Profit and Loss	51.88	-
Provision for Doubtful Debts	43.86	6.81
Disallowances on provision for expenses	136.84	3.93
Depreciation	33.73	39.73
Disallowances u/s 43B	209.15	36.63
Deferred tax Liabilities :		
Deferred lease rentals	131.01	-
Net deferred tax asset	408.03	107.53

40.2 The tax effect of significant timing differences of MXC that has resulted in deferred tax assets which has not been accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty/virtual certainty in accordance with the aforesaid Ind AS 12.

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset :		
Depreciation	(8.24)	99.55
Provision for Doubtful Debts	96.70	68.74
Gratuity & Leave Encashment	123.37	107.22
Carry forward Losses (see below)	6,843.84	6,692.10
	7,055.67	6,967.62
Deferred tax liability:		
Fair Value Gain of Mutual Fund (Recognised FVTPL)	(383.14)	(459.61)
Rent equalisation	-	(5.92)
	(383.14)	(465.53)
Net deferred tax asset	6,672.53	6,502.09

The Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future.

40.3 Unrecognized, deductible, temporary differences on unused tax losses and unabsorbed depreciation:

Particulars	As at March 31, 2020	As at March 31, 2019
Deductible temporary differences, unused tax losses and unabsorbed depreciation for which no deferred tax asset have been recognized, are attributable to the following:		
Unabsorbed Depreciation	34,715.29	19,902.20
Unabsorbed losses	27,190.48	27,328.15

41.4 Breakup of expiry of balances as at March 31, 2020

March 31	Amount
2020	482.95
2021	1,257.68
2022	1,722.13
2023	6,792.04
2024	13,206.52
2025	2,478.49
2026	1,092.15
2027	158.52
Total	27,190.48

Note 41: Acquisition of Assets from Four Wheels Group Private Limited

On 1 October 2019, SAMIL has acquired fixed assets from Four Wheels Group Private Limited, for a consideration of INR 13.62 lacs. The Company has entered into an agreement to acquire certain intangibles which are under negotiation and control is yet to be transferred by erstwhile owners as at March 31, 2020.

Note 42: In view of the outbreak of Coronavirus (COVID-19) pandemic, causing a slowdown of economic activities, the Group has used various internal and external information, as available and based on current estimates expects the carrying amount of these assets will be recovered.

The Group has assessed the counterparty credit risk in case of financial assets (comprising cash and cash equivalents, bank deposits and investments in mutual funds) and considered subsequent recoveries, past trends, credit risks profile of customers in case of trade receivables and unbilled revenues. The Group while assessing Right to Use Asset and Goodwill, has considered past trend, future business projections and does not foresee either significant down-sizing of its operations or any changes in lease terms.

The impact of COVID 19 may differ from that estimated as at the date of approval of these financial statements. Further there have been no material changes in the controls / processes followed in the financial statement closing process. The management continues to monitor any future changes on the business and financial statements.

Note 43: The Company has vide its board resolution dated May 20, 2020, accorded to create, offer and upon acceptance of offer allot 38,97,225 shares for a price of INR 825.13, in two tranches. On June 5, 2020, the Company issued 19,48,614 Series H Preference Share to three existing shareholders on receipt of INR 1,60,78,51,239/- (as Tranche I) on the same terms and condition of existing preference share of the Company.

Note 44: Previous year's figures have been regrouped wherever necessary, to conform to the current year's classification.

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration number:101049W/E300004

**GOVIND
PITAMBAR
AHUJA**

Digitally signed by GOVIND
PITAMBAR AHUJA
DN: cn=GOVIND PITAMBAR
AHUJA, c=IN, o=Personal,
email=govind.ahuja@srb.in
Date: 2020.07.21 22:00:36 +05'30'

Govind Ahuja

Partner

Membership no: 48966

Place: Mumbai

Date: July 21, 2020

**For and on behalf of the Board of Directors
of MXC Solutions India Private Limited**

Rajan
Jitendra
Mehra

Digitally
signed by
Rajan
Jitendra
Mehra

Rajan Mehra
Director

DIN: 00504892

Place: Mumbai

Date: July 21, 2020

**VINAY
VINOD
SANGHI**

Digitally
signed by
VINAY VINOD
SANGHI

Vinay Sanghi
**Chief Executive Officer
& Director**

DIN: 00309085

Place: Mumbai

Date: July 21, 2020

Pal Lal
Bahadur
Deepnarayan

Digitally
signed by Pal
Lal Bahadur
Deepnarayan

Lalbahadur Pal
Group Secretary

Place: Mumbai

Date: July 21, 2020