T. Ramachandran & Co.,
Chartered Accountants

Independent Auditors' Report

To the Members of M/s. IGATE INFRASTRUCTURE MANAGEMENT SERVICES LIMITED

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **IGATE Infrastructure Management Services Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

As discussed in the Note 1 (Corporate Information) to Financial Statement ,the company is the process of merger with its Holding company Capgemini Technology Services India Limited (formerly known as IGATE Global Solutions Limited) and the Company Summons for Directions (CSD) was filed in the Honourable High Court of Bombay, India on August 01, 2016 under the provisions of Sections 391394 of the (old) Companies Act, 1956 and the same was pending before the Honourable Bombay High Court

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

#207-211, Jayam Complex, 2nd Floor, 100 -107, Sampige Road, Malleshwaram, Bangalore - 560 003
Phone : 91-80-41281816 Email: info@trandco.net
Branch office at Chennai: #12/304, Sona Complex, 52 street, 7th Avenue, Servamangala Colony, Manthope Colony, Ashok Nagar, Chennai - 600083

flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

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

d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

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

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

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements

2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For M/s. T. Ramachandran & Co.,
Chartered Accountants (FRN 009009S)

T Ramachandran
Partner (Membership No 207600)

Bangalore
19.6.2019
UDIN: 19207600AAAGR4972

M/s. T. Ramachandran & Co. ★ BANGALORE ★ Chartered Accountants

ANNEXURE B REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE AS REQUIRED UNDER SECTION 143 (3) (i) OF THE ACT ON THE AUDITED FINANCIAL STATEMENTS STATEMENT OF IGATE INFRASTRUCTURE MANAGEMENT SERVICES LIMITED

Report on the Internal financial controls under the clause(i) of sub-section 3 of section 143 of the companies act 2013.

We have audited the internal financial controls over financial reporting of IGATE Infrastructure Management Services Limited as of 31st March 2019 in conjunction with our audit of the audited financial statements of the company for the year ended on that date.

Mangement`s Responsibility For internal Financial Controls

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

Auditors Responsibility

Our responsibility is to express an opinion on the company`s internal financial controls over financial reposrting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting and standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies act,2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and, both issued by thr Institute of chartered accounatnst of India. Those standards and guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assuarance about whether adequate internal financial comtrols over financial reporting was established and maintained and if such controls operated effectively in all amterial aspects.

Our audit involves performing procedured to obtain audit evidence about the asequecy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that material o weakness exists, and testing and evaluating teh design and operating effectiveness of internal control based on the assessed risk. The proceedured selected depend on the auditor`s judgement, including the assessment of the risks of material missstatement of the financial statementas, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and approriate to provide a basis for our audit opinion on the company`s internal financial controls system over financial reporting.

Meaning Of Internal Financial Controls Over Financial Reporting

A Company`s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preperation of financial statements for external purposes in accordance with genarally accepted accounting principles.

A company`s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonavle assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with genarally accepted accounting principals 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 reagarding prevention or timely detection of unauthorised acquisition, use, or disposition of company`s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion , the compant has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on the internal controls Over Financial Reporting criterial established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For M/s. T. Ramachandran & Co.,
Chartered Accountants (FRN 009009S)

T Ramachandran
Partner (Membership No 207600)

Bangalore
19.6.2019

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

ANNEXURE A REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE AS REQUIRED UNDER SUBSECTION 11 OF SECTION 143 OF THE ACT

1) Fixed assets
   a. According to the information and explanations given to us and based on the examination carried out by us, the fixed assets are not in use and disposed of fully.
   b. The company does not hold any immovable property

2) Inventories

   The company is a service company and does not hold any inventory hence the clause 3(ii) relating to inventory is not applicable to the company

3) Loans

   The company has not given any loans to directors or companies other than the loans given to employees in the regular course of business and the terms and conditions of the same are not prima facie prejudicial to the interest of the company.

   According to the information and explanations given to us and based on our verification the company has not made any investments or given guarantees to the parties listed in the register maintained under section 189 of the act

4) Fixed Deposits

   Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any deposits so far upto 31st March 2019.

5) Cost Records

   We have been informed by the management, that no cost records have been prescribed under section 148(1) of the Companies Act, 2013 in respect of the operations of the company.

6) Statutory Dues:

   a) According to the information and explanations given to us, and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including the provident fund, employees state insurance, income tax, wealth tax, sales tax, service tax, excise duty, and cess and any other material statutory dues as may be applicable with the appropriate authorities

   b) According to the information and explanations given to us, no undisputed dues payable in respect of income tax, sales tax, customs duty, cess were outstanding as at 31st March 2019 for a period more than six months from the date they became payable.

   c) According to the information and explanations given to us and records provided there are no dues of sales tax/income tax/VAT/customs duty/Service tax/excise duty/cess/GST which have not been deposited on account of any dispute.

7) According to the information and explanations given to us, the company has not taken any term loans obtained during the year.

8) According to the records of the company examined by us and the information and explanations given to us, the company has not availed any loans from banks, financial institutions and hence the question of repayment of dues does not arise.

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

9) According to the information and explanations furnished to us and based on the representation given by the management and based on the examination carried out by us in accordance with the generally accepted auditing practices in India, no fraud against or by the company has been noticed or reported during the year.

10) According to the information and explanations given to us and based on the examination carried out by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

11) The company did not raise any money by way of initial public offer or further public offer (Including debt instruments) and term loans during the year under review and hence the question of end use of the same does not arise

12) The company is a private limited company and hence the provisions of section 197 relating to managerial remuneration does not arise.

13) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the requirement of section 42 of the Companies Act, 2013 is not applicable to the company

14) The company has not entered into any non-cash transactions with directors or persons connected with him and if so, during the year under review and hence the Clause 3(xv) of CARO 2016 is not applicable to the company

15) The company is not a Nidhi company

16) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the reserve Bank of India Act, 1934

For M/s.T. Ramachandran & Co.,
Chartered Accountants (FRN 009009S)

T Ramachandran
Partner (Membership No 207600)

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

Bangalore
19.6.2019

IGATE Infrastructure Management Services Limited
Balance sheet as at 31 March 2019

(Rs. in thousands)

	Notes	31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant & equipment	3	-	-
Intangible assets	4	-	-
Other non-current assets	6	79,285	79,383
Total non-current assets		79,285	79,383
Current assets			
Financial Assets			
Current investments	7(a)	8,340	7,940
Trade receivables	7(b)	-	-
Cash and bank balances	7(c)	504	1,462
Other financial asset	5	3	25
Other current assets	6	-	-
Total current assets		8,847	9,427
Total Assets		88,132	88,810
Equity and liabilities			
Equity			
Equity Share capital	8	28,579	28,579
Other Equity			
Reserves and surplus	9	(53,113)	(44,606)
Total equity		(24,534)	(16,027)
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	10	-	12,000
Other financial liabilities	11	21,646	14,185
Total non-current liabilities		21,646	26,185
Current liabilities			
Financial Liabilities			
Borrowings	10	82,900	70,900
Trade payables	12	8,050	7,652
Other current liabilities	13	70	100
Total Current liabilities		91,020	78,652
Total liabilities		112,666	104,837
Total equity and liabilities		88,132	88,810
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

T Ramachandran
Partner
Membership no. 207600

Place : Bangalore
Date : June 19, 2019

For and on behalf of the Board of Directors of
IGATE Infrastructure Management Services Limited

Rajesh Ramdas
Director
DIN: 06746960
Place : Bangalore
Date : June 19, 2019

Sujit Sircar
Director
DIN: 00026417
Place : Bangalore
Date : June 19, 2019

IGATE Infrastructure Management Services Limited
Statement of profit and loss for the year ended 31 March 2019

(Rs. in thousands)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Other income	14	534	3,672
Total Income (I)		534	3,672
Expenses			
Finance costs	16	8,306	8,292
Other expenses	15	735	938
Total Expenses (II)		9,041	9,230
Profit before tax (I) - (II)		(8,507)	(5,558)
Income tax expense			
Deferred tax		-	-
Current tax		-	-
Total tax expense		-	-
Profit for the year		(8,507)	(5,558)
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax related to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax related to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		(8,507)	(5,558)
Earnings per equity share[nominal value of share of Rs 10 (31 March 2016: Rs 10)]	19	(2.98)	(1.94)
Basic & Diluted			
Computed on the basis of profit for the year			
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

T Ramchandran
Partner
Membership no. 207600

Place : Bangalore
Date : June 19, 2019

For and on behalf of the Board of Directors of
IGATE Infrastructure Management Services Limited

Rajesh Ramdas
Director
DIN: 06746960
Place : Bangalore
Date : June 19, 2019

Sujit Sircar
Director
DIN: 00026417
Place : Bangalore
Date : June 19, 2019

IGATE Infrastructure Management Services Limited
Cash flow statement for the year ended 31 March 2019

(Rs. in thousands)

	31 March 2019	31 March 2018
Cash flows from operating activities		
Profit before tax	(8,507)	(5,558)
Adjustment to reconcile profit before tax to net cash flows		
Net gain on sale of current and non current investments	(399)	(336)
Interest expense	8,290	8,290
Operating profit before working capital changes	(616)	2,396
Movements in working capital:		
Increase/(Decrease) in trade payables	398	51
Increase/(Decrease) in short-term provisions	-	-
Decrease in other current liabilities	(30)	30
Increase /(Decrease) in long-term provisions	-	-
Decrease in trade receivables	-	-
Decrease in short-term loans and advances	22	2
(Increase)/Decrease in other current assets	-	-
Increase/(Decrease) in other non-current assets	-	-
Cash generated from operations	(226)	2,479
Direct taxes paid (net of refunds)	97	(552)
Net cash flows from operating activities (A)	(129)	1,927
Cash flows from investing activities		
Purchase of current investments	(5,435)	-
Proceeds from sale of current investments	5,435	-
Net cash flows used in investing activities (B)	-	-
Cash flows from financing activities		
Interest paid	(829)	(829)
Net cash flows from/(used in) financing activities (C)	(829)	(829)
Net (decrease)/increase in cash and cash equivalents during the year (A+B+C)	(958)	1,098
Cash and cash equivalents at the beginning of the year	1,462	364
Cash and cash equivalents at the end of the year	504	1,462
Components of cash and cash equivalents		
Balances with banks:		
On current accounts	504	1,462
Margin money deposit	-	-
	504	1,462
Summary of significant accounting policies 2		

As per our report of even date

T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

T Ramachandran
Partner
Membership no. 207600

Place : Bangalore
Date : June 19, 2019

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

For and on behalf of the Board of Directors of
IGATE Infrastructure Management Services Limited

Rajesh Ramdas
Director
DIN: 06746960
Place : Bangalore
Date : June 19, 2019

Sujit Sircar
Director
DIN: 00026417
Place : Bangalore
Date : June 19, 2019

IGATE Infrastructure Management Services Limited
Statement of changes in equity for the year ended March 31, 2019

a. Equity share capital

	Number of Shares	Equity share capital (INR Actuals)
Balance at April 1, 2017	2,857,877	28,578,770
Changes in equity share capital during the year	-	-
Balance at March 31, 2018	2,857,877	28,578,770
Changes in equity share capital during the year	-	-
Balance at March 31, 2019	2,857,877	28,578,770

b. Other equity

	Reserves and surplus				Total other equity (INR in thousands)
	Securities premium reserve	Retained earnings	Capital redemption reserve	General reserve	
Balance at 1st Apr 2017	-	(39,048)	-	-	(39,048)
Profit for the year		(5,558)			(5,558)
Other comprehensive income					-
Balance at 31 Mar 2018	-	(44,606)	-	-	(44,606)
Profit for the year		(8,507)			(8,507)
Other comprehensive income					-
Total comprehensive income for the year		(8,507)			(8,507)
Balance at 31 Mar 2019	-	(53,113)	-	-	(53,113)

As per our report of even date

T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

T Ramchandran
Partner
Membership no. 207600

Place : Bangalore
Date : June 19, 2019

For and on behalf of the Board of Directors of
IGATE Infrastructure Management Services Limited

Rajesh Ramdas
Director
DIN: 06746960
Place : Bangalore
Date : June 19, 2019

Sujit Sircar
Director
DIN: 00026417
Place : Bangalore
Date : June 19, 2019

1. Corporate information

IGATE Infrastructure Management Services Limited ("the Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in providing comprehensive range of IT support services including system integration, system maintenance and support services which are broadly categorized into Facility Management Services and Maintenance Services.

On July 18, 2016, the Company's Board of Directors approved the plan to merge the Company with its Holding Company Capgemini Technology Services India Limited (formerly known as IGATE Global Solutions Limited) and the Company Summons for Directions (CSD) was filed in the Honorable High Court of Bombay, India on August 01, 2016 under the provisions of Sections 391-394 of the (old) Companies Act, 1956 and the same was pending before the Bombay High Court.

With effect from December 15, 2016 the Ministry of Corporate Affairs (MCA) notified Sections 230-234 of the Companies Act, 2013 (corresponding to Sections 391-394 under the Companies Act, 1956) and transferred certain pending cases in the High Courts including matters in relation to schemes of amalgamation to the National Company Law Tribunals ("NCLT") with appropriate jurisdiction.

In addition to the original scheme of merger, the Board of Directors have approved certain amendments to the scheme on 22 June 2017.

The Financials statements are authorized for issue by Board of Directors on 19th June 2019.

2 Significant accounting policies

a Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The standalone financial statements of the Company are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act, other relevant provisions of the Companies Act, 1956, to the extent applicable and Accounting Standard 30,'Financial Instruments: Recognition and Measurement' ('AS 30') read with Accounting Standard 31 - 'Financial Instruments: Presentation' (AS 31) issued by the Institute of Chartered Accountants of India.

b Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of contract costs to be incurred to complete software development project, provision for taxes, employee benefit plans, provision for doubtful debts and advances and estimated useful life of Property, plant and equipment. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

c Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:
a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
b. it is held primarily for the purpose of being traded;
c. it is expected to be realised within 12 months after the reporting date; or
d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
a. it is expected to be settled in the company's normal operating cycle;
b. it is held primarily for the purpose of being traded;
c. it is due to be settled within 12 months after the reporting date; or
d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current.

d Tangible fixed assets

The fixed assets are fully depreciated for the past three years . The underlying asset are not being used. They have been fully removed with the cost and the related accumulated depreciation.

The past three years

Property, Plant Equipment (Rs. in thousands)

	Computers	Office Equipment	Furniture & Fixtures	Total
Gross Block				
At 01 April 2016	11,124	2,334	2,410	15,868
Additions	-		-	-
At 31 March 2017	11,124	2,334	2,410	15,868
Accumulated Depreciation				
At 01 April 2017	11,124	2,334	2,410	15,868
Charge for the year	-		-	-
At 31 March 2018	11,124	2,334	2,410	15,868
Net block				
At 01 April 2018	-		-	-
At 31 March 2019	-		-	-

M/s. T. Ramachandran & Co.
BANGALORE
Chartered Accountants

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

e Depreciation on tangible fixed assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013.The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II The Company has used the following useful lives to provide depreciation on its fixed assets.

Asset	Years (SLM)
Computers and related assets	3
Office equipments	5
Furniture and fixtures	5

Leasehold improvements are depreciated over the primary lease period or remaining useful life, whichever is lower, on a straight line basis.

As per Schedule II to the Companies Act 2013Assets individually costing Rs 5,000 or less are not required to depreciate fully within 12 months from the date of purchase. However, the management has decided to depreciate asset costing Rs 5000 or less with in 12 months from the date of purchase.

f Intangible assets

Intangible assets acquired separately are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over the estimated useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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 recognized in the statement of profit and loss when the asset is derecognized.

Goodwill is amortized over a period of 10 years and computer software held for use in business purpose is amortized over an estimated useful life of 3 years or the period of licenses, whichever is lower.

g Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

h Impairment on Tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III.

Long term investments are stated at cost less other than temporary decline in the value of such investments, determined separately for each individual investment .

Current investments are carried in financial statements at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. The comparison of cost and fair value is done separately for each individual investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

M/s. T. Ramachandran & Co. Chartered Accountants BANGALORE

j) **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

The Company's principal sources of revenue arise from facility management services and maintenance contracts. Revenue from maintenance contract and facility management services is recognized on a pro-rata basis over the period of the contracts.

Amounts received or billed to the extent corresponding services are yet to be rendered are recorded as deferred revenues.

Unbilled receivables represents amounts recognized as revenues for the periods presented based on services performed in accordance with the terms of contracts that will be billed in subsequent periods.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Other income

Other income is recognized on accrual basis.

k **Foreign currency transactions and balances**

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

n Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

n Earnings per share

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

o Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

p Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

M/s. T. Ramachandran Chartered Accountants BANGALORE

(Rs. in thousands)

3 Property, Plant & Equipment

	Computers	Office Equipment	Furniture & Fixtures	Total
Gross Block				
At 01 April 2018	11,124	2,334	2,410	15,868
Additions	-	-	-	-
Disposals	11,124	2,334	2,410	15,868
At 31 March 2019	-	-	-	-
Accumulated Depreciation				
At 01 April 2018	11,124	2,334	2,410	15,868
Charge for the year	-	-	-	-
Disposals	11,124	2,334	2,410	15,868
At 31 March 2019	-	-	-	-
Net block				
At 01 April 2018	-	-	-	-
At 31 March 2019	-	-	-	-

(Rs. in thousands)

4 Intangible Assets

	Goodwill	Total
Gross Block		
At 01 April 2018	63,696	63,696
Purchase	-	-
At 31 March 2019	63,696	63,696
Amortization		
At 01 April 2018	63,696	63,696
Charge for the year	-	-
At 31 March 2019	63,696	63,696
Net block		
At 01 April 2018	-	-
At 31 March 2019	-	-

M/s. T. Ramachandran & Co. ★ BANGALORE ★ Chartered Accountants

5 **Other financial assets**

	Non-current		Current	
	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Capital advances	-	-		-
Security deposit	-	-	-	-
Advances to employees	-	-	-	-
Advances recoverable in cash or kind	-	-	3	25
	-	-	3	25

6 **Other Assets**

	Non-current		Current	
	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Advance income-tax (net of provision for tax)	77,895	77,993	-	-
Interest income on income tax receivable	1,390	1,390	-	-
	79,285	79,383	-	-

7 **Financial Assets**

7(a) **Current Investments**

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Current investments (valued at fair value)		
Unquoted mutual funds		
18736.033 (31 March 2018– 18,671.475) units of Rs.300.44 each fully paid in Birla sun Life Cash Plus - Growth -Direct Plan	5,629	5,215
Stan Chart Bank FD	2,711	2,725
	8,340	7,940

7(b) **Trade receivables**

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
Unsecured, considered doubtful	1,965	1,965
Provision for doubtful receivables	(1,965)	(1,965)
Total	-	-

loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

7(c) **Cash and bank balances**

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Cash and cash equivalents		
Balances with banks:		
On current accounts	504	1,462
Other bank balances		
Margin money deposit	-	-
	504	1,462

M/s Ramachandra & Co. BANGALORE Chartered Accountants

8 Share capital

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Authorised shares		
6,000,000 (31 March 2018 - 6,000,000) equity shares of Rs.10 each	60,000	60,000
Issued, subscribed and fully paid up shares		
2,857,877 (31 March 2018 - 2,857,877) equity shares of Rs.10 each	28,579	28,579
Total issued, subscribed and fully paid up share capital	**28,579**	**28,579**

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 March 2019		31 March 2018	
	No. of shares	Rs. in thousands	No. of shares	Rs. in thousands
At the beginning of the period	2,857,877	28,579	2,857,877	28,579
Outstanding at the end of the period	**2,857,877**	**28,579**	**2,857,877**	**28,579**

b. Terms/right attached to equity shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. Any dividends proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of total equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Capgemini Technology Services India Limited, the Holding company (fka IGATE Global solutions Limited)		
2,857,867 (31 March 2018 - 2,857,867) equity shares of Rs. 10 each fully paid	28,579	28,579
	28,579	28,579

d. Details of shareholders holding more than 5% shares in the Company

	31 March 2019		31 March 2018	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs.10 each fully paid Capgemini Technology Services India Limited, the Holding company (fka IGATE Global solutions Limited)	2,857,867	99.9%	2,857,867	99.9%

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders, the above shareholding represents legal ownerships of shares.

9 Reserves and surplus

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Surplus in the statement of profit and loss		
Balance as per the last financial statements	(44,606)	(39,048)
Profit for the year	(8,507)	(5,558)
Net deficit in the statement of profit and loss	**(53,113)**	**(44,606)**
Total reserves and surplus	**(53,113)**	**(44,606)**

M/s. T. Ramachandran & Co. * Chartered Accountants * BANGALORE

10 Borrowings

	Non-current portion		Current maturities	
	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Term Loans				
10% Inter-corporate deposit (unsecured)	-	12,000	82,900	70,900
	-	12,000	82,900	70,900

Inter-corporate deposit carries interest @ 10% p.a. The loan is repayable after 3 years from the date of disbursement of the loan amounts.

11 Other Financial liabilities

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Interest accrued but not due on borrowings	21,646	14,185
	21,646	14,185

12 Trade payables

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Trade payables (refer note 18)	8,050	7,652
	8,050	7,652

13 Other current liabilities

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Statutory liabilities	70	100
	70	100

Ms. T. Ramachandran & BANGALORE Chartered Accountants

14 Other income

	For the year ended 31 March 2019 Rs. in thousands	For the year ended 31 March 2018 Rs. in thousands
Interest income on bank deposits	127	161
Interest income others	8	29
Net gain on sale of current investments	399	336
Provision no longer required written back	-	3,146
	534	**3,672**

15 Other expenses

	For the year ended 31 March 2019 Rs. in thousands	For the year ended 31 March 2018 Rs. in thousands
Rates and taxes	5	20
Legal and professional fees	282	631
Payment to auditor	30	86
Exchange gain (net)	418	121
Miscellaneous expenses	-	80
	735	**938**

Payment to auditor

	For the year ended 31 March 2019 Rs. in thousands	For the year ended 31 March 2018 Rs. in thousands
As auditor:		
Audit Fee	30	50
Tax audit fee		
Reimbursement of expenses		
	30	**50**

16 Finance costs

	For the year ended 31 March 2019 Rs. in thousands	For the year ended 31 March 2018 Rs. in thousands
Interest on loans	8,290	8,290
Bank charges	16	2
	8,306	**8,292**

18 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31 March, 2019 and 31 March, 2018.

19 Earnings per share (EPS)

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

	For the year ended 31 March 2019 Rs. in thousands	For the year ended 31 March 2018 Rs. in thousands
Net profit/(loss) for calculation of basic and diluted EPS	(8,507)	(5,558)
Weighted average number of equity shares in calculating basic and diluted EPS	2,857,877	2,857,877
Basic and diluted earnings per share (Rs)	**(2.98)**	**(1.94)**

M/s. T. Ramachandran & Co.
BANGALORE
Chartered Accountants

20. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every eligible employee gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded.

The following table summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognized in the employee cost

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Current service cost	-	-
Interest cost on benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognized	-	-
Effect of limit in para 59 (b)	-	-
Net benefit expense	-	-
Actual return on plan assets		

Balance Sheet

Benefit asset/liability

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-
Amount not recognised as an asset	-	-
Plan (liability)/asset	-	-

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Opening defined benefit obligation	-	(298)
Current service cost	-	-
Interest cost	-	-
Benefits paid	-	298
Actuarial (gain)/losses		
Liabilities assumed on divestiture		
Closing defined benefit obligation	-	-

Change in the fair value of plan assets are as follows:

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands
Opening fair value of plan assets	-	2,152
Contributions by employer		
Expected return		
Actuarial (gain)/losses	-	
Benefits paid	-	(2,152)
Closing fair value of plan assets	-	-

There will be no gratuity liability as there were no employees during the year under review.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31 March 2019	31 March 2018
Investments with the Insurer		100%

The principal assumptions used in determining gratuity are shown below:

Increase in compensation cost	-
Employee turnover	-
Discount rate	-
Expected rate of return on plan assets	-

Amounts for the current and previous four periods are as follows:

	31 March 2019 Rs. in thousands	31 March 2018 Rs. in thousands	31 March 2017 Rs. in thousands	31 March 2016 Rs. in thousands
Gratuity				
Defined benefit obligation	-	-	(298)	1,120
Plan assets	-	-	2,152	3,313
Surplus / (deficit)	-	-	2,450	2,193
Exp Adj on Plan Liabilities	-	-	-	(84)
Exp Adj on Plan Assets	-	-	-	(58)

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

IGATE Infrastructure Management Services Limited
Notes to financial statements for the year ended 31 March 2019

21. Related party disclosures

Names of related parties and related party relationship

Ultimate Holding Company
Capgemini SE

Holding Company
Capgemini Technology Services India Limited

Associate Companies / Fellow Subsidiaries
IGATE Singapore Pte. Ltd

Key Management Personnel
Sujit Sircar
Mukund Srinath
Rajesh Ramdas

Related party transactions

	31 March 2019 Rs. 000	31 March 2018 Rs. 000
Interest Expense		
Capgemini Technology Services India Limited (fka IGATE Global Solutions Limited)	8,290	8,290

Loans taken from related party are @ 10% interest

	31 March 2019 Rs. 000	31 March 2018 Rs. 000
Balances outstanding		
a) Trade payables		
Capgemini Technology Services India Limited	6,493	6,037
IGATE Singapore Pte Ltd	1,527	1,486
c) Borrowings		
Capgemini Technology Services India Limited	82,900	82,900
d) Interest accrued but not due on borrowings		
Capgemini Technology Services India Limited	21,646	14,185
Loans taken from related party are @ 10% interest		

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

IGATE Infrastructure Management Services Limited
Notes to financial statements for the year ended 31 March 2019
(Currency : INR in thousands)

22 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Company classifies its inputs used to measure fair value into the following hierarchy :

Level 1 : Unadjusted quoted market prices in active market

Level 2 : Unadjusted quoted prices in active markets for similar assets or liabilities or Unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or Inputs other than quoted prices that are observable for the asset or liability

Level 3 : Inputs for assets and liabilities that are based on unobservable market data

	Carrying amount				Fair value			
March 31, 2019	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	504	504	-	-	-	-
Current investments	8,340	-	-	8,340	8,340	-	-	8,340
Other Current financial asset	-	-	3	3	-	-	-	-
	8,340	-	507	8,847	8,340	-	-	8,340
Financial liabilities								
Long term borrowings	-	-	-	-	-	-	-	-
Short term borrowings	-	-	82,900	82,900				-
Trade and other payables	-	-	8,050	8,050	-	-	-	-
Other Non-Current financial liabilities	-	-	21,646	21,646				-
	-	-	112,596	112,596	-	-	-	-

	Carrying amount				Fair value			
March 31, 2018	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	1,462	1,462	-	-	-	-
Current investments	7,940	-	-	7,940	7,940	-	-	7,940
Other Current financial asset	-	-	25	25	-	-	-	-
	7,940	-	1,487	9,427	7,940	-	-	7,940
Financial liabilities								
Long term borrowings	-	-	12,000	12,000	-	-	-	-
Short term borrowings	-	-	70,900	70,900	-			-
Trade and other payables	-	-	7,652	7,652	-	-	-	-
Other Non-Current financial liabilities	-	-	14,185	14,185	-			-
	-	-	104,737	104,737	-	-	-	-

22 Financial instruments – Fair values and risk management *(Continued)*

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values

Financial instruments measured at fair value

Type	Valuation technique
Investments	The Company's investments consist primarily of investment in debt linked mutual funds. Fair value of debt linked mutual funds are based on prices as stated by the issuers of mutual funds and are classified as Level 1 or 2 after considering whether the fair value is readily determinable.

During the reporting period ending 31 March 2019, and 31 March 2018, there have been no transfers between Level 1 and Level 2 fair value measurements

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

(Currency : INR in thousands)

22 Financial instruments – Fair values and risk management *(Continued)*

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company periodically assesses the financial reliability of its customers, taking into account the financials condition, current economic trends and analysis of historic bad debts and ageing of accouts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	31 March 2019	31 March 2018
Balance at the beginning of the year	1,965	5,112
Impairment loss recognised/ reversed	-	(3,147)
Balance at the end of the year	1,965	1,965

Others

Credit risk of the Company on cash and cash equivalents and investments is subject to low credit risk since the investments of the Company are in banks and financials institutions with high credit ratings assigned by international and domestic credit rating agencies.

M/s. T. Ramachandran & Co. BANGALORE Chartered Accountants

(Currency : INR in thousands)

22 Financial instruments – Fair values and risk management *(Continued)*

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

		Contractual cash flows	
March 31, 2019	Carrying amount	Within 1 year	More than 1 year
Non current financial liabilities	21,646	-	21,646
Current financial liabilities	82,900	82,900	-
Trade and other payables	8,050	8,050	-

		Contractual cash flows	
March 31, 2018	Carrying amount	Within 1 year	More than 1 year
Non current financial liabilities	26,185	-	26,185
Current financial liabilities	70,900	70,900	-
Trade and other payables	7,652	7,652	-

23 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

As per our report of even date

For T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

T Ramachandran
Partner
Membership no. 207600

Place : Bangalore
Date : June 19, 2019

For and on behalf of the board of directors of
IGATE Infrastructure Management Services Limited

Rajesh Ramdas
Director
DIN: 06746960

Place : Bangalore
Date : June 19, 2019

Sujit Sircar
Director
DIN: 00026417

Place : Bangalore
Date : June 19, 2019

M/s. T. Ramachandran & Co. ★ Chartered Accountants ★ BANGALORE