



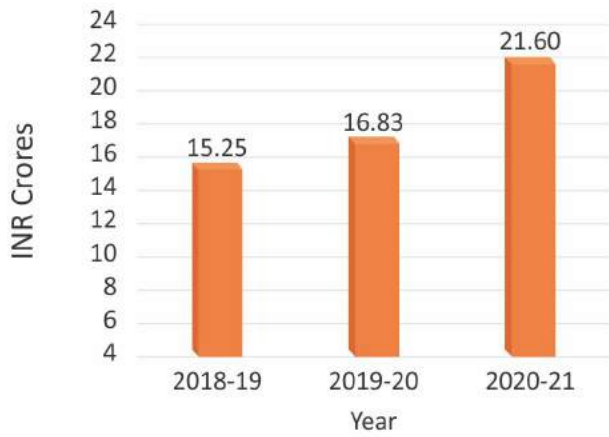
ABM KNOWLEDGEWARE LIMITED

28th
ANNUAL | **2020-21**
REPORT

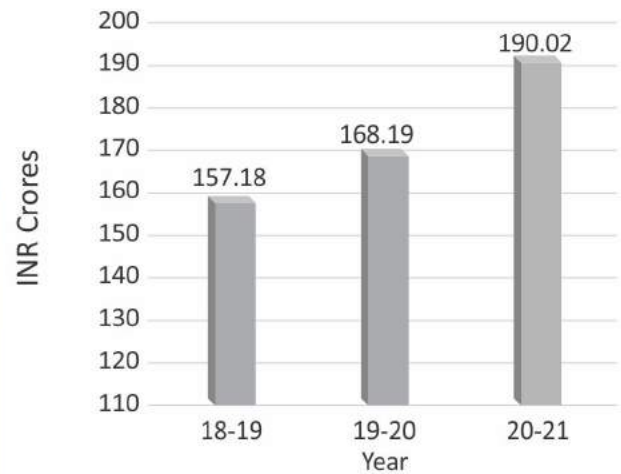
www.abmindia.com

Financials At A Glance

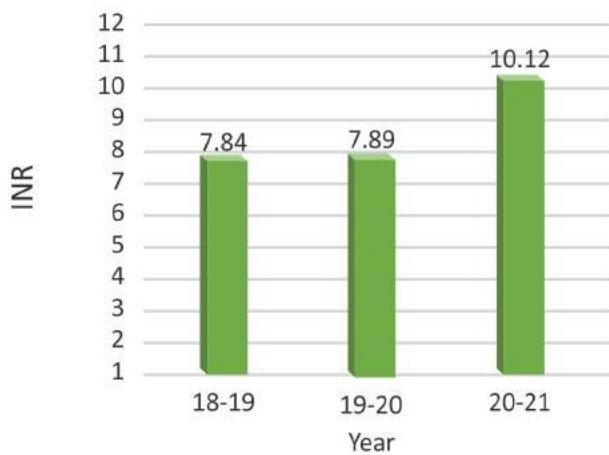
Profit After Tax (PAT)



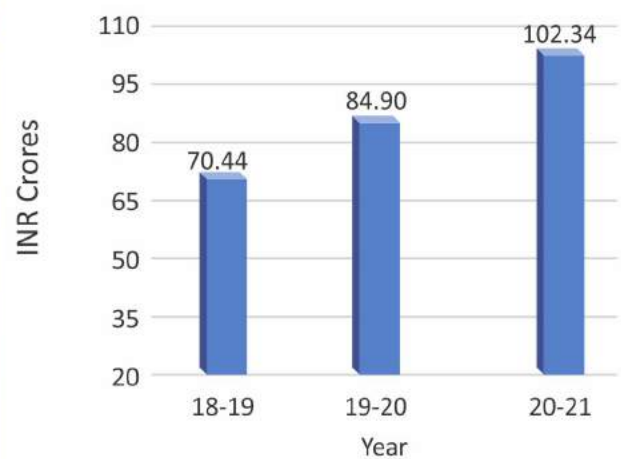
Net Worth



EPS



Gross Turnover



Consolidated

BOARD OF DIRECTORS

PRAKASH B. RANE (Managing Director)
SUPRIYA P. RANE
SHARADCHANDRA D. ABHYANKAR
DR. SUMIT D. CHOWDHURY
DEVENDRA PARULEKAR
ASHOKKUMAR V. DUGADE
PUNIT KUMAR JAIN

Registered Office

ABM House, Plot No. 268, Linking Road, Bandra (West), Mumbai- 400 050.
 Tel.: +91 22 42909700 • Fax: +91 22 42909701
 CIN: L67190MH1993PLC113638
 E-mail: egovernance@abmindia.com • www.abmindia.com

Auditors

M/s. Borkar & Muzumdar

Bankers

CANARA BANK

**Registrars &
Share Transfer
Agents**

M/s. Universal Capital Securities Pvt. Ltd. C - 101, 247 Park,
 L.B.S. Marg, Vikhroli West, Mumbai 400 083.
 Tel.: +91 22 28207203 - 05 / 28257641

Company Secretary

Sarika Ghanekar.
 E-mail : cs@abmindia.com

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NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of **ABM KNOWLEDGEWARE LIMITED** will be held on Thursday, the 12th day of August, 2021 at 10.30 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following businesses:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend on Equity Shares for the Financial Year ended 31st March, 2021.
3. To appoint a Director in place of Mrs. Supriya P. Rane (DIN: 00152890), who retires by rotation and being eligible, offers herself for re-appointment.

NOTES:

1. In view of the continuing restrictions on the movement of persons at several places in the country, due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 and 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and General Circular No. 02/2021 dated 13th January, 2021 and other applicable circulars issued by Securities and Exchange Board of India (“SEBI”) has allowed the companies to conduct the Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) during the calendar year 2021. In compliance with the said circulars of MCA, SEBI and other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the 28th AGM of the Members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed to this Notice.
3. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The instructions for participation by Members are given in the subsequent paragraphs.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this report. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through e-voting.
5. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.abmindia.com. The Notice can also be accessed from the

websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. The Company has fixed Thursday, 05th August, 2021 as the 'Record Date' for determining entitlement of members to Final Dividend for the financial year ended 31st March, 2021 if approved at the AGM.
9. If the final dividend as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before Monday, 30th August, 2021 as under:
 - i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on Thursday, 05th August, 2021;
 - ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, 05th August, 2021.
10. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that Dividend paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
 - a. **For Resident Shareholders**, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during Financial year 2021-2022 provided PAN is registered by the Shareholder. If PAN is not registered, then TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during financial year 2021-2022 does not exceed ₹ 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2021-2022.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm or HUF) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b. **For Non-resident Shareholders**, Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
 - Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
 - Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
 - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
 - Self-Declaration certifying the following points:
 - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2021-2022;

- ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
 - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2021-2022.
11. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.
 12. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above on or before Saturday, 31st July, 2021.
 13. Kindly note that the aforementioned documents are required to be submitted to our RTA at abmtlds@unisec.in or the Company's email id at cs@abmindia.com on or before Saturday, 31st July, 2021 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Saturday, 31st July, 2021. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.
 14. The Company vide its separate e-mail communication dated Monday, 05th July, 2021 has informed the Members regarding this change in the Income Tax Act, 1961 and the Finance Act, 1961 as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate.
 15. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 06th August, 2021 to Thursday, 12th August, 2021 (both days inclusive).
 16. In accordance with, the General Circular No. 20/2020 dated 05th May, 2020 and General Circular No. 2/2021 dated 13th January, 2021 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
 17. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company or Registrar along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to cs@abmindia.com.
 18. The Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account Details by every participant in securities market. Members holding shares in demat form, are therefore, requested to submit PAN and Bank Account details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN and Bank Details details to M/s. Universal Capital Securities Private Limited or to the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheques should bear the name of

the member. In the alternative Members can submit a copy of bank passbook / statement attested by the bank.

19. Pursuant to Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 04th September, 2020 (date of last AGM) are available on the website of the Company www.abmindia.com and on Ministry of Corporate Affairs' website. The details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2021 shall be updated in due course. The Shareholders whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.
20. All the documents referred to in the accompanying Notice shall be available for inspection through electronic mode, basis the request being sent on cs@abmindia.com.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

- a) As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at cs@abmindia.com. Questions / queries received by the Company till 5.00 p.m. on Monday, 09th August, 2021 shall only be considered and responded during the AGM.
- b) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by visiting the link <https://www.evoting.nsdl.com> between 9.00 a.m. on Thursday, 05th August, 2021 and 5.00 p.m. on Monday, 09th August, 2021.
- c) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

- a) Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.
- b) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 05th August, 2021, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
- c) The remote e-voting period begins on Monday, 09th August, 2021 at 09:00 A.M. and ends on Wednesday, 11th August, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:


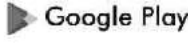


Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual

shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders / Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on **“Forgot User Details / Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- a) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- b) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC / OAVM” link placed under “Join General Meeting”.
- c) Now you are ready for e-Voting as the Voting page opens.
- d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- e) Upon confirmation, the message “Vote cast successfully” will be displayed.
- f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ucshukla@rediffmail.com with a copy marked to evoting@nSDL.co.in.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nSDL.com to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nSDL.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at evoting@nSDL.co.in.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “**VC / OAVM link**” placed under “**Join General meeting**” menu against Company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) Shareholders who would like to express their views / have questions may send their questions in advance mentioning their name demat account number / folio number, email id, mobile number at cs@abmindia.com. The same will be replied by the company suitably.

21. Mr. Upendra Shukla, Practising Company Secretary (Membership No. FCS 2727) has been appointed as the Scrutinizer for providing facility to the members of Company to scrutinize the e-voting process in a fair and transparent manner.

22. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.abmindia.com and on the website of NSDL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

23. Members of the Company had approved the appointment of M/s. Borkar & Muzumdar Chartered Accountants, as the Statutory Auditors at the Twenty Sixth AGM of the Company which is valid till Thirty First AGM of the Company. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.

24. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of

portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

25. In terms of Section 152 of the Act, Mrs. Supriya P. Rane is liable to retire by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
26. Details as required in Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the respect of the Director seeking appointment / re-appointment at the AGM are as under. Requisite declarations have been received from the Director seeking appointment / re-appointment. The Independent Directors of the Company have been appointed for a consecutive term of 5 years and are not eligible to retire by rotation.

Name	Mrs. Supriya P. Rane
Date of Birth	19/04/1969
DIN	00152890
Age	52 years
Date of Appointment on Board	27/04/2000
Qualification	BE (Electronics), Postgraduate Diploma in System Management
Expertise in specific functional areas	Systems and Processes
Other Directorships	Nil
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	Nil
No. of Shares held in the Company	24,54,000 equity shares of ₹ 5/- each
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	Mrs. Supriya P. Rane is wife of Mr. Prakash B. Rane, Managing Director. He is holding 95,42,300 Equity Shares of the Company.

Mumbai, June, 25, 2021

Corporate Identification Number (CIN) : L67190MH1993PLC113638

By Order of the Board of Directors

Registered Office:

ABM House, Plot No. 268, Linking Road,
Bandra (W), Mumbai- 400 050.
Tel: 91 22 42909700 Fax: 91 22 42909701
E-mail: egovernance@abmindia.com,
Website: www.abmindia.com

**Sd/-
Sarika Ghanekar
Company Secretary**

DIRECTORS' REPORT

To the Members of

ABM Knowledgeware Limited

Your Directors are delighted to present the 28th Annual Report of the Company along with the Audited Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2021.

1. FINANCIAL PERFORMANCE OF THE COMPANY (STANDALONE & CONSOLIDATED):

(₹ In Thousand)

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Gross Income	10,73,018	8,92,844	9,10,524	7,62,023
Profit Before Interest and Depreciation	3,11,173	2,27,573	2,74,430	2,06,081
Finance Charges	4,322	2,484	4,322	2,484
Gross Profit	3,06,851	2,25,089	2,70,108	2,03,597
Provision for Depreciation	20,450	17,618	11,510	11,527
Net Profit Before Tax	2,86,401	2,07,471	2,58,598	1,92,070
Provision for Tax	70,383	39,216	62,677	38,922
Non-Controlling Interest	15,914	11,964	-	-
Net Profit After Tax	2,00,104	1,56,291	1,95,921	1,53,148
Surplus - Opening Balance	15,74,256	14,76,781	15,72,121	14,77,973
Amount Available for Appropriation	17,74,360	16,33,072	17,68,041	16,31,121
Other Comprehensive (Income) / Loss (net of tax)	(2,347)	(1,468)	(2,378)	(1,284)
Dividend and Dividend tax paid during the year	-	60,284	-	60,284
Surplus - closing balance	17,76,707	15,74,256	17,70,420	15,72,121

2. OPERATIONS OF THE COMPANY :

The Company's operations continued with technical employees Working From Home (WFH) and those working on customer support working at customer locations across India.

There has been a mixed impact of WFH on operations. It has worked well with senior employees. However, the middle and junior level employees productivity has not shown encouraging trends. ABM operates in a niche domain area and requires proper induction of newly onboarded employees interactively, including customer visits. We have also noticed challenges in talent acquisition during last year. Implementation of our projects requires a significant presence of employees on the project sites across India. This need for onsite availability posed challenges as many employees were highly concerned about travelling and staying onsite for longer. As a result, it has delayed some of the projects.

A large part of the working during current year is likely to be WFH due to restrictions on the public transport. Employees in cities other than Mumbai can undertake local as well as distant travel.

WFH has a very positive impact on the Company's internal operations, with virtually all operations being conducted remotely. Some customers have preferred virtual meetings helping in more convenient business operations. Due care is being taken to ensure secure access during WFH and various COVID protection measures for the employees.

3. DIVIDEND :

Your Directors have recommended a Final Dividend @ 25% i.e. ₹ 1.25/- per Equity Share of Face Value of ₹ 5/- each for the Financial Year ended 31st March, 2021. The Final Dividend, subject to the approval of Members at the Annual General Meeting to be held on Thursday, 12th August, 2021 and will be paid to the Members on or before Monday, 30th August, 2021, to the members whose names appear in the Register of Members, as on the Record Date. i.e. 5th August, 2021.

The Dividend if approved, will result in a cash outflow of ₹ 2,50,02,750/-. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the final Dividend after deduction of tax at source.

4. TRANSFER TO RESERVES :

Your Directors do not propose to transfer any amount to the General Reserve out of the current year's profit.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 and Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 2,55,161/- of unpaid / unclaimed dividends were transferred during the year to the Investor Education and Protection Fund (IEPF).

6. SHARE CAPITAL :

As on 31st March, 2021 the Authorized share capital of your Company was ₹ 12,50,00,000/- consisting of ₹ 2,50,00,000 Equity Shares of ₹ 5/- each and paid up equity share capital was ₹ 10,24,15,000/- consisting of 2,00,02,200 fully paid up equity shares and 6,97,800 forfeited equity shares of ₹ 5/- each.

During the year under review, the Company has not issued any shares or Bonus shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares. The Company has not bought back any of its equity shares.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :

In accordance with the provisions of the Section 152 of Companies Act, 2013, Mrs. Supriya P. Rane, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment. The Board recommends her re-appointment.

A brief profile of Mrs. Supriya P. Rane has been given in the Report on the Corporate Governance as well as in the Notice of the ensuing Annual General Meeting of the Company.

Section 149(10) of the Companies Act, 2013 provides that Independent Directors shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing a Special Resolution by the Shareholders of the Company. Accordingly, the Company has sought approval of the Members of the Company through Postal Ballot on 3rd May, 2021 for re-appointment of Dr. Sumit Chowdhury as Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f 28th March, 2021 up to 27th March, 2026.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors had proposed the appointment of Mr. Punit Kumar Jain as an Independent Director of the Company for the members approval in their meeting held on 04th September, 2020. After seeking the approval of the shareholders, Mr. Punit Kumar Jain was appointed as the Non-Executive Independent Director of the Company to hold office for a consecutive term of five years commencing from 04th September, 2020 to 03rd September, 2025. In view of his wide enlightened experience in Business, the Board of Directors is of the view that associating Mr. Punit Kumar Jain as Director, the Company would benefit immensely. Further, the members had approved the re-appointment of Mr. Prakash B. Rane as the Managing Director of the Company for a further period of 5 years commencing from 1st April, 2020 to 31st March, 2025.

There has been no change in the Key Managerial Personnel (KMPs) of your Company during the year under review.

As per the provisions of the Act, the Independent Directors are not liable to retire by rotation. The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of

independence as mentioned under Section 149(6) of the Companies Act, 2013 and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, if any.

8. POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION, BOARD EVALUATION AND DETAILS OF FAMILIARISATION PROGRAMS :

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees, forms part of the Corporate Governance Report of this Annual Report. Annual Board Evaluation process for Directors has also been provided under the Report on Corporate Governance. On the recommendations of Nomination and Remuneration Committee and approval of the Board of Directors, the Company has sought approval of the Members through Postal Ballot for payment of commission to Non-Executive directors for a period of five years commencing from 1st April, 2021 upto 31st March, 2026 as per amended Section 197 of the Companies Act, 2013 read with Schedule V to the Act.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at www.abmindia.com. The Company has issued a formal letter of appointment to the Independent Director in the manner as provided in the Companies Act, 2013. The terms and conditions of the appointment have been disclosed on the website of the Company.

9. MEETINGS :

During the year five (5) Board Meetings and five (5) Audit Committee Meetings were convened and held. For the details of the meetings of the Board and its Committees, please refer to the Report on Corporate Governance, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. PUBLIC DEPOSITS :

During the year under review, your Company did not accept any public deposits under Chapter V of Companies Act, 2013 and no amount on account of principal and interest on public deposits was outstanding on the date of the Balance Sheet. Since the Company has not accepted any deposits during the financial year ended 31st March, 2021 there has been no non-compliance with the requirements of the Act.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :

InstaSafe Technologies Private Limited ("InstaSafe"), a subsidiary of your Company, is a leading Cloud based Security-as-a-Service solution provider delivering comprehensive and uncompromising protection to mobile and remote workers enabling them to safely and securely access enterprise apps, email and web from anywhere on any network. "InstaSafe Inc" is wholly owned subsidiary of InstaSafe Technologies Private Limited incorporated in Delaware, United State of America.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary company in Form AOC-1 is attached herewith. The separate audited financial statements in respect of the subsidiary company are available on the website of the Company at www.abmindia.com. Your Company will also make available these documents upon request by any member of the Company interested in obtaining the same.

As on 31st March, 2021 the Company does not have any Joint venture or Associate Company.

12. PERFORMANCE OF SUBSIDIARY COMPANIES :

The outlook for FY20-21, as outlined in the last annual report, was to scale globally and focus on enhancing product adoption, and building the InstaSafe brand, trusted by international customers.

One commonality that nearly every organization in the world shared in 2020 was the mass exodus of users from the comfortable swanky offices to each worker's (insecure) home office. Work continued in this pandemic as transition to "work-from-home" thanks to SaaS applications. In this context, Zero Trust network access (ZTNA) became the signature security technology of the pandemic. That has inspired organizations to reimagine how security (and networking) can be consumed both today and in the future.

InstaSafe got recognized for the third time by Deloitte India Fast 50 & APAC Fast 500, with consistent revenue growth consistently over the last three years. In addition, the prestigious FT Asia ranked InstaSafe as one of the top growing companies out of India and with an Asia Pacific rank of 55 and absolute growth rate of 894%.

For the Financial Year 2021-2022, the outlook is to execute with a focused approach to enhancing customer success and user delight and building a brand that is trusted globally. InstaSafe will continue to invest rapidly in the fast competitive market and expect our R&D, technology, sales operation, and marketing expenses to increase significantly this year.

13. STATUTORY AUDITORS :

M/s. Borkar & Muzumdar, Chartered Accountants (Firm's Registration No. 101569W) were re-appointed as Statutory Auditors of the Company at the Annual General Meeting held on 16th August, 2019 for a second term of 5 consecutive years. The Auditors have confirmed that they are not disqualified from being re-appointed as Auditors of the Company.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

14. AUDITORS' REPORT :

The Report given by the Auditors on the Financial Statements of the Company is part of Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Hence, it is an unmodified opinion in terms of the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

15. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of the Section 204 of the Companies Act, 2013, the Company has undertaken Secretarial Audit for the financial year 2020-2021 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the SEBI and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Board has appointed Mr. Upendra Shukla, Practicing Company Secretary as Secretarial Auditor to undertake the Secretarial Audit of the Company for the year ended on 31st March, 2021. The Secretarial Audit Report issued by Mr. Upendra Shukla in Form No. MR-3 forms part of this Annual Report and is an Annexure to the Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, except the following observation:

- *There was a delay of 42 days in submitting the Disclosure on Related Party Transactions for the half year ended on 30th September, 2020 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.*

- *Renewal of Mr. Devendra K. Parulekar, Independent Director's registration in Independent Director's Databank with Indian Institute of Corporate Affairs as required under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 is still pending.*

The Company was levied with a penalty amount of ₹ 2,47,800/- by BSE for Non-compliance with disclosure of related party transactions on consolidated basis as per Standard Operating Procedure (SOP) prescribed by SEBI. The disclosure was submitted by the Company on 19/01/2021 and the Company had duly paid the penalty levied. Further, due to certain unavoidable circumstances and due to inadvertence, one of our Director could not complete the renewal of his Independent Director's registration in Independent Directors Databank.

16. COMPLIANCE WITH SECRETARIAL STANDARDS :

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

17. INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL SYSTEMS:

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Audit Committee reviews the reports submitted by the Internal Auditors in each of its meeting. The Management duly considers and takes appropriate action on recommendations made by the Statutory Auditors, Internal Auditors and Audit Committee of the Board of Directors. The Company has appointed M/s. S. P. Sule & Associates, Chartered Accountants as Internal Auditor of the Company for the financial year 2020-2021.

18. CORPORATE GOVERNANCE :

Corporate Governance is a continuous process at ABM. Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. It is about commitment to values and ethical business conduct. Your Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability paving the way in building confidence among all its stakeholders for achieving sustainable long term growth and profitability. Your Company has complied with the governance requirements provided under the Companies Act, 2013 and listing regulations.

A separate Report on Corporate Governance together with Auditor's Certificate confirming compliance with the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

A Certificate of the Chief Executive Officer and Chief Financial Officer of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed. The said certificate is signed by Mr. Prakash B. Rane, Managing Director and Mr. Paresh Golatkar, Chief Financial Officer of the Company.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

A. Industry Structure and Development:

ABM's customer segment is predominantly Domestic government. Pandemic worked like a Disruption creating impact, speed and scale in e-Government. E judiciary, Virtual meetings, E-education, Telemedicine, Online approvals have

become an integral part of daily life in government.

Government has also responded to the pandemic by expediting Digital Government Policy.

In the short term, it was a REACT mode. The focus was on the use of a digital platform like a portal, mobile, social media, and working on protecting the privacy and sensitive information. It is a RESOLVE mode in the midterm, such as leveraging the lessons learned and policy ideas from the ongoing crisis. In the long term it will be a REINVENT mode. Efforts are being made to invest in innovative technologies like Artificial Intelligence, Data Analytics Blockchain etc.

These technologies in E-government can effectively allocate scarce resources like Manpower, Money, Infrastructure, and Natural resources. Therefore, it will go much beyond mere electronic service delivery.

The competition landscape remained more or less unchanged with very few national level players and some regional competitors.

B. Existing Opportunities and Outlook:

During the last year, the Local, State and Central Governments have prioritized fighting the pandemic by balancing protection to lives and livelihoods. That has impacted the usual volumes of e-Governance tenders being floated or finalized. This could impact revenue during the current year. In addition, the plans to explore opportunities in 5-Dimensional Digital Project Management System (DPMS) slowed down due to the impact of the pandemic on the infrastructure sector. This situation is likely to improve in the latter half of the current year as wave two is expected to taper off. The current year is also primarily centered on Recovery and Restart.

ABM has started the new financial year with approximately ₹ 250 Crs order book and would expedite the execution to realize the revenue. In addition, efforts are being made to win projects in states where ABM is present for a past few years.

The opportunities in Smart Cities, SAP Implementation Services, DPMS, Cybersecurity, will continue even in the current year. The Government customers require to improve the efficiency of operations, which will need IT interventions and spending on IT projects. This need will increase as an impact of the pandemic. In the medium term, this will throw open more and more opportunities. In the medium term, Tech Spend has a positive outlook. Tech demand will rise, buoyed by the need for Cloud, collaborative workplace technologies, mobility, and cybersecurity for Government Digital business is also likely to increase.

As outlined earlier, ABM has been developing two additional verticals for the past couple of years apart from the E-government. These are Cybersecurity (a subsidiary of ABM) and Digital Project Management Systems for large infrastructure projects. In the next 2-3 years, these verticals can double the revenues of ABM, subject to overall healthy macroeconomic conditions and reduced impact of COVID soon.

ABM will continue following a cautious approach of doing selective bidding by prioritizing the Company's ability to execute the project "successfully and profitably". This strategy is seen to be working well so far to its revenues as well as profits.

C. Business Threats :

The Business threat from competition has not altered much. The adverse impact of COVID on floating new tenders and directions given by various Govts to cut down on planned expenditure is seen as a possible threat. Indian macroeconomy has not been performing very well for the past 1-2 years. The short-term setback due to the pandemic will add further sluggishness due to pressure on Govt. operations and revenues. This poses a short-term threat.

As mentioned earlier, COVID has also impacted talent acquisition and retention to a certain extent due to the requirement of our employees onsite for project implementation and support. Suitable plans and processes have been laid down. As these processes mature, this threat will be mitigated substantially.

As we have been outlining in most of the annual reports, the Company faces various risks and threats associated with the e-government business. It includes possible payment delays, Time and Cost overruns, Disruptions in the project when the organization's head is changed. In addition, challenges in attracting good talent to work in less developed states and interior regions of India add to the threats. Moreover, inexperienced competition remains a threat and results in the loss of some opportunities due to unrealistic prices quoted by such companies.

D. Business Strategies and Planning :

The strategy of working closely with existing prestigious customers and retaining them will continue with due consideration to the increased competition in some of the Company's key accounts.

Efforts will be made to leverage the current market leadership in the e-Municipality space, explore adjacent business areas, and strengthen the two additional verticals of Cybersecurity and DPMS for the infrastructure sector.

E. Human Resource Management :

The FY 2020-2021 at early onset brought in COVID-19 pandemic having its impact on every aspect of human life and businesses alike. ABM was and is no exception to witness the unfolding story of COVID-19 that has complexities and fluidity in its ever-changing dimensions.

The biggest visible impacts of the virus have been on the nature of workplaces and like every business across globe; ABM had scrambled to comply with lockdown restrictions while striving to keep operations going.

Work-from-home (WFH) became the immediate solution to business continuity. The leadership, HODs and Employees through series of consultations were able to formulate and implement the WFH strategy with three key aspects viz. Agility, Creativity and Flexibility.

ABM supported all its employees with digital infrastructure - laptops, data cards, virtual meet subscriptions - to ensure that business continuity could be maintained. As a result, the brick-and-mortar office was transformed into virtual workplaces.

HR function stepped up to amend guidelines to ensure that employees could manage WFH seamlessly and securely. Upon achieving our first goal viz. business continuity; the major emphasis was on "Human Connect". The HR function provided critical communication on safety protocols, hygiene practices, emergency numbers, list of hospitals, guidelines for quarantining and isolating, and much more.

We went the extra mile to help employees handle stress by setting up online classes for employee wellbeing and motivation.

ABM, over a period of two decades has delivered many critical projects successfully in government sector. These projects were significant aid to many of government clients. ABM in fact had fought and won battle on two fronts; one being ensure organization wide Business Continuity and other was to ensure client received every humanly support possible through resource mobilization in COVID-19 affected areas, 24x7 monitoring of various applications, manage changes within systems with utmost priority, etc.

With all adversities posed by COVID-19 Pandemic; we stayed on course and continued with our approach to Human Capital Management.

Our approach to Human Capital Management is built on four pillars viz. Up-skilling, Work-Life Balance, Open & Fair Work Environment, and Integrity.

1. Up-skilling

As a part of HR's upskilling initiative, ABM's team had the opportunity to be a part of the training workshop on Local Self Government. This training apart from upskilling was designed to sensitize our employees on inner workings of front-line service delivery institutions i.e. municipalities.

The online workshop included training topics such as:

- Constitutional Mandate of Municipalities
- Roles and Responsibilities of Municipalities
- Organizational Structure
- Roles and Responsibilities of various Department
- Municipal Finance, etc.

2. Work-Life Balance

In midst of the pandemic, ABM introduced the "Human Connect", staying connected virtually by introducing multiple online engagement activity. The primary objective was guide our human capital to manage stress, improve the employee and employer relationship in Remote Workplace Environment and keep employees motivated remotely.

The various activities conducted virtually were:

- Basic Zumba Dance Lessons
- Fitness Tips
- Yoga Sessions
- Meditation Sessions
- Nutrition Advice from our empaneled Nutritionists

3. Open & Fair Work Environment

Although majority of the workforce works remotely; we have maintained Open & Fair Work Environment in line with "Business as Usual" policies such as:

- Equal Opportunities & Non-Discrimination Policy and do not discriminate on basis of race, color, gender, caste, or religion.
- Open and transparent communication through various HR policies and employee forums. For E.g. Employee grievance redressal policy and escalation policy & Prevention of Sexual Harassment (POSH).
- Equal opportunity for employee to learn and grow within the organization.
- ABM empaneled new Advocate as a member in Sexual Harassment Committee.

4. Headcount

S. No.	Year	Current Headcount*
1	April 2019 - March 2020	453
2	April 2020 – March 2021	451

* excludes full time associates and in-house consultants.

F. Discussion on financial performance with respect to the operational performance :

(₹ In Thousand)

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Gross Income	10,73,018	8,92,844	9,10,520	7,62,023
Total Expenditure	6,36,016	5,45,598	5,16,667	4,41,336
i) Operating Expenses	2,49,452	2,19,259	1,96,562	1,43,435
ii) Expenditure (excluding Operating Expenses)	3,86,564	3,26,339	3,20,105	2,97,901
Gross profit before depreciation and Taxation	3,06,851	2,25,089	2,70,108	2,03,597

The Company has improved its overall performance in terms of revenues. As a result, it could maintain reasonable gross profit despite pandemic impacting the key customer segment, i.e. Government organizations.

The increase in operating costs is in line with the increase in revenue. During the FY 2019-2020, operating cost was 24% of revenue from operations, and during FY 2020-2021, the ratio stands at 27%. The increase in the expenditure is on account of payment to consortium partners in various projects. ABM implements many projects by forming a consortium with other IT companies as consortium partners who bring complementary skills to win and execute the projects. The invoicing for the work done by the consortium partner is done by ABM wherever ABM is the Lead Bidder of the consortium.

The Company's dividend policy is designed considering the need for liquidity in the customer segment ABM operates. The payment cycles of ABM customers is much slower than in the corporate sector. In addition, the pandemic has caused other adverse impacts on the payment cycles of customers. This situation requires liquidity with ABM for the smooth execution of existing projects and undertaking new projects.

G. Key Financial Ratios :

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) Amendment Regulations 2018, the Company is required to give details of significant changes (changes of 25% or more as compared to the immediately previous financial year) in key financial ratios. There are no significant changes in the key financial ratios that are identified by the Company, below are the details

Standalone Ratios :

Ratios	Unit	March 2021	March 2020
Debtors Turnover Ratio	Times	3.11	2.84
Current Ratio	Times	6.26	6.13
Debt Equity Ratio	Times	0.00	0.00
Net profit Margin	%	22.77%	21.32%
Return on Net worth	%	10.46%	9.17%

Consolidated ratios :

Ratios	Unit	March 2021	March 2020
Debtors Turnover Ratio	Times	3.41	3.15
Current Ratio	Times	6.16	5.93
Debt Equity Ratio	Times	0.00	0.00
Net profit Margin	%	21.11%	19.86%
Return on Net worth	%	11.37%	10.01%

20. RISK MANAGEMENT:

There are no changes in the risk perception and mitigation strategies compared to previous years. However, the comments on the added risk due to pandemic is are given in the earlier sections.

The Company has developed and adopted a Risk Management Policy that ensures the appropriate management of risks in line with its internal systems and culture. The Company perceives risk management as a means of value optimization. The Company also recognizes the importance of internal controls and risk management in sustaining business continuity. The company endeavours to make risk management and control essential components of the business environment exposed to different modalities of risks arising from internal and external sources. Risks are assessed department-wise such as financial risks, information technology-related risks, legal risks, accounting fraud, etc. It further assists the Board in fulfilling its corporate governance oversight responsibilities about identifying, evaluating, and mitigating operational, strategic, and external environment risks.

The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this report.

The following elements of risks can impact the performance of the Company.

- 1. Industry :** With the movement to Cloud and mobility, ABM will have to tweak its offerings by making necessary sales and solution strategy changes. These efforts began last year.
- 2. Supply side risk for talent acquisition :** The IT industry is characterized by its constant supply constraints due to technological advancements as well as personal growth sought by the employees. With a growing customer base and mission-critical projects, the unavailability of the right skilled resources at right time in the right quantity can pose a risk.

ABM has adopted a strategy of taking fresh graduates and training them specifically for technologies and domain-specific to ABM. Further the Company constantly trains and re-trains existing resources for different skills and technologies. Suitable HR practices are adopted to minimise the attrition rate. Lateral hiring is done to bring in fresh leaders.

Under COVID-19 remote onboarding of new employees may pose minor risk of integrating the new employees in ABM culture and practices. HR dept. is designing the onboarding process keeping this constraint in mind.

- 3. Operational efficiency :** The operational risk is mainly associated with client acquisition, execution of projects, information security and continuity of customer's business operations. The Company has project-level monitoring where such risks are identified and escalated to the board for suitable corrective measures on time.

Security measures for WFH employees have been implemented for safe access of ABM servers. In addition, employees are regularly updated on the cyber risks and care to be taken while using remote access.

- 4. Reputation :** The Company's projects are in the Government sector, which is necessarily funded by public finance. This aspect may expose the Company to the risk of motivated public scrutiny from elements that are adversely affected by the success of the project, leading to transparency and sometimes by competition. The Company strictly follows the Govt. processes of procurement. It executes the projects with the highest possible standards of ethics and best industry processes. Employees are made well aware of the company policy and ensure the proper code of conduct is followed across projects uniformly. The Company has published its code of conduct for the benefit of employees. This has been helping the Company so far to win over the confidence of customers, even in situations of motivated public scrutiny which is aimed at hurting the reputation of the Company.

21. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

There are no planned material changes or commitments made by Company that will affect the Company's financial position during the period mentioned above. The liquid cash available with the Company may also be utilized if the plans for acquisition fructify.

22. CODE OF CONDUCT :

The Company has adopted the Code of Conduct and ethics for all Board Members and Senior Management and this is strictly adhered to. A copy of the Code of Conduct is available on the website of the Company www.abmindia.com. In addition, members of the Board and Senior Management also submit, on an annual basis, the details of individuals to whom they are related and entities in which they hold interest and such disclosures are placed before the Board. The members of the Board inform the Company of any change in their directorship(s), chairmanship(s) / membership(s) of the Committees, in accordance with the requirements of the Companies Act, 2013 and Listing Regulations.

The members of the Board and Senior Management have affirmed their compliance with the code and a declaration signed by the Managing Director is annexed to this report.

23. AUDIT COMMITTEE COMPOSITION :

The Composition of the Audit Committee is as per Section 177 of the Companies Act, 2013 and the Listing Regulations and is as described in the Corporate Governance Report, which forms part of this report. The Constitution, meetings, attendance and other details of the Audit Committee are given in the Corporate Governance Report which is part of the Report. During the year all the recommendations of the Audit Committee were accepted by the Board.

24. VIGIL MECHANISM :

Pursuant to the provisions of Section 177(9) of the Act and rules made thereunder, the Board of Directors had approved the Policy on Vigil Mechanism / Whistle Blower Policy to provide a mechanism for the Directors and employees to report their grievances, genuine concerns about unethical behaviour, actual or suspected fraud, and violation of the Company's Code of Conduct. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Brief details about the policy are provided in the Corporate Governance Report attached to this Report. The Whistle Blower Policy is available on the website of the Company.

25. PREVENTION OF INSIDER TRADING :

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has in place a Code of Conduct to Regulate, Monitor and Report Trading by Insiders, the disclosure requirements and procedure thereto. The Company endeavours to preserve the confidentiality of Unpublished Price Sensitive Information and to prevent misuse of such information. With respect to this, the Company has also developed a Code for Procedure for Inquiry in case of Leak of Unpublished Price Sensitive Information. This code is prepared in accordance with Regulation 9(1) and Schedule B of the SEBI (Prohibition of Insider Trading) Regulation 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2020. The Company regularly reminds the Employees about their obligation under the policies and also informs about prevention of insider trading into the securities of the Company.

The Company Secretary is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

26. RELATED PARTY TRANSACTIONS :

In line with requirement of the Companies Act, 2013 and amendment to the Listing Regulations, your Company has formulated a revised Policy on Related Party Transactions which is also available at Company's website www.abmindia.com. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis, which is reviewed and updated on quarterly basis.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

27. ANNUAL RETURN :

As required, pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company as on 31st March, 2021 is available on the Company's website on https://abmindia.com/uploads/Final%20Category%20wise/20210719161033_ABM_Annual_Return_2020-2021.pdf.

28. CORPORATE SOCIAL RESPONSIBILITY :

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy which is published on its website www.abmindia.com.

29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

There were no loans or guarantees given by the Company under Section 186 of the Companies Act, 2013 during the year under review. The Particulars of investments have been disclosed in the Financial Statements.

30. PREVENTION OF SEXUAL HARASSMENT (POSH) AT WORKPLACE :

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment.

The Company has adopted a Policy for prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules thereunder. The Company has also formed an "Internal Complaints Committee" for prevention and redressal of sexual harassment at workplace. While maintaining the highest governance norms, the Company has appointed external independent person who works in this area and has the requisite experience in handling such matters, as member of Internal Complaints Committee. The Company has ensured a wide dissemination of the Policy and have conducted various offline training sessions and awareness programmes for all employees across the Company. The Company has not received any complaint of sexual harassment during the financial year 2020-2021.

31. PARTICULARS OF EMPLOYEES :

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been appended as Annexure to this Report. Details of employee remuneration as required under provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the Rules, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

32. CONSERVATION OF ENERGY:

Your Company consumes energy mainly for the operation of its software development, thus the consumption of electricity is negligible. In order to conserve the electricity, the air conditioners are kept at a moderate temperature and all the electrical equipments are turned off, whenever they are not required by the office staff.

33. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION AND RESEARCH AND DEVELOPMENT :

ABM has identified areas focus such as Cloud adoption for the flagship product, offering some of products on SaaS,

Improvement in UI / UX, Improving operation efficiency by implementing Dev Ops practice and Process for harnessing new technologies. Investments proposed in last year in these areas could not be done fully and these efforts will continue during the current year also.

34. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Your company did not have any Foreign Exchange earnings or outgo in last year.

35. LISTING FEES :

Your Company's shares are listed in The Bombay Stock Exchange Limited, Mumbai and the Annual Listing fees for the year under review have been paid.

36. DIRECTORS' RESPONSIBILITY STATEMENT :

The Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

37. ACKNOWLEDGEMENT :

The Board express their deep sense of gratitude to all Shareholders, Business Associates, Clients, Vendors, Banks, Financial Institutions, Central and State Government Organizations, Regulatory Authorities, for their continued co-operation and support which was a great help to us in managing our continued growth. We acknowledge their contributions and commit ourselves to continue and strengthen this fruitful alliance in all times to come.

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment, in particular during this unprecedented year. We applaud them for their superior level of competence, enthusiasm and unstinting efforts, which have enabled the Company to remain an innovative leader in Software & Services segment of Indian IT Industry.

For and on behalf of the Board

Date : 25th June, 2021
Place: Mumbai

Sd/ -
Prakash B. Rane
Managing Director
(DIN: 00152393)

Sd/ -
Sharadchandra D. Abhyankar
Director
(DIN: 00108866)

ANNEXURE TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

(Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A Brief Outline of the Company's Corporate Social Responsibility (CSR) Policy:

The objective of CSR policy of the Company is to directly / indirectly undertake projects / programs which will enhance the quality of life and economic well- being of communities in and around our society at large. This policy focuses on addressing social, environmental and economic needs of underprivileged sections of the society and also a sustainable development for the society. The Company has identified education, environment protection, protection of art & Culture as the areas, healthcare where assistance is provided on a need-based and case-to-case basis. Your Company persisted with participation in such activities at the local, grass-root level during the year. The contributions in this regard have been made to the registered trust which is undertaking these schemes.

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of the Directors, is available on the Company's website at www.abmindia.com.

2. Composition of CSR Committee :

Sr. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Supriya P. Rane, Chairperson	Non-Executive Director	4	4
2	Mr. Sharadchandra D. Abhyankar, Member	Independent Director	4	4
3	Dr. Sumit D. Chowdhary, Member	Independent Director	4	4
4	Mr. Ashokkumar Dugade, Member	Independent Director	4	1

*Appointed w.e.f. 26th March, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The composition of the CSR committee, CSR Policy are available on our website, at www.abmindia.com.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average Net Profit of the Company as per Section 135(5): ₹ 22,57,37,436/-

7. a) Two percent of average net profit of the company as per section 135(5): ₹ 45,14,749/-

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil

c) Amount required to be set off for the financial year, if any: Nil

d) Total CSR obligation for the financial year (7a+7b-7c):. ₹ 45,14,749/-

8. a) CSR amount spent for the financial year: ₹ 45,50,640/-

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

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

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number*
1.	Distribution of books	(ii)	Yes	Maharashtra,	Mumbai	4,25,000	No	Samkalin Prakashan	-
2.	Distribution of cultural books	(ii)	Yes	Maharashtra,	Mumbai	3,35,000	No	Majestic Book House	-
3.	Contribution for education and medical treatment	(i), (ii)	Yes	Maharashtra,	Karwar district	3,00,000	No	Shubhalaxmi Pragati Mandal	CSR00006174
4.	Enabling & Empowering Physically Disabled people	(i)	Yes	Maharashtra,	Mumbai	75,000	No	Ratna Nidhi Charitable Trust	-
5.	Covid - 19 Support	(viii)	No	Pan India		10,00,000	No	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Not Applicable
6.	Covid - 19 Support	(i)	Yes	Maharashtra,	Mumbai	2,00,000	No	Sunaay Human Welfare Foundation	CSR00000729
7.	COVID-19 Technology Support for food distribution system	(i)	Yes	Maharashtra,	Mumbai	1,15,640	No	Fileian Ventures	-
8.	Vocational training, self - employment training in rural areas	(ii)	No	Gujarat	Surendra Nagar	21,00,000	No	Shri Jagatbharati Education & Charitable Trust	-
	Total					45,50,640			

*The Requirement for CSR registration number is mandatory to be obtained w.e.f 01st April, 2021, hence the Trusts / NGOs are in the process of obtaining the numbers.

d) Amount spent in Administrative Overheads: Nil

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹45,50,640/-

g) Excess amount for set off, if any: Nil

8. a) Details of Unspent CSR amount for the preceding three financial years: Nil

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: Not Applicable

For and on behalf of the Board
ABM Knowledgeware Limited

Date : 25th June, 2021
Place : Mumbai

Sd/-
Prakash B. Rane
Managing Director
(DIN: 00152393)

Sd/-
Supriya P. Rane
Chairperson, CSR Committee
(DIN: 00152890)

ANNEXURE TO THE DIRECTORS' REPORT

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

1 The Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2020-2021, the percentage increase in remuneration of Directors, Chief Financial Officer and Company Secretary during the financial year 2020-2021

The percentage increase in remuneration of each Director, Chief financial Officer and Company Secretary during the financial year 2020-2021, ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the financial year 2020-2021 as under:

Sr. No.	Name of Directors and Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase in remuneration in the Financial Year 2020-2021
1	Mr. Prakash B. Rane	Managing Director	61.07	-
2	Mrs. Supriya P. Rane	Non-Executive Director	0.80	# 293%
3	Mr. Sharadchandra D. Abhyankar	Non-Executive Director	1.17	# 344%
4	Dr. Sumit D. Chowdhary	Non-Executive Director	0.88	# 300%
5	Mr. Devendra K. Parulekar	Non-Executive Director	1.02	# 268%
6	Mr. Ashokkumar Dugade	Non-Executive Director	0.37	-
7	Mr. Punit Kumar Jain	Non-Executive Director	0.22	-
8	Mr. Paresh M. Golatkar	Chief Financial Officer	3.22	-
9	Mrs. Sarika A. Ghanekar	Company Secretary	3.68	-

The increase in % of remuneration of the Non-Executive Directors is because of an increase in the amount of sitting fees from ₹ 4,000 to ₹ 20,000/- per meeting w.e.f. 1st April, 2020, hence there is an exceptional increase in the %.

- 2 The Percentage increase in the median remuneration of employees in the financial year:** The Median remuneration of the employees in the financial year is increased by 5% on account of recruitment of new employees during the year.
- 3 The Number of permanent employees on the rolls of Company:** 451 employees excluding full time associates and in house consultants as of March, 2021.
- 4 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** There was no revision in salaries of employees for the financial year 2020-21. There has been no increase in the remuneration of the Managerial Personnel during the year under review.
- 5 The key parameters for any variable component of remuneration availed by the directors:** During the year no commission was paid to any of the Executive or Non-executive directors of the company due to inadequacy of profits of the Company as per Section 197 of the Companies Act, 2013 read with Schedule V. Commission to Executive and Non-executive directors is the variable component of their remuneration. Key parameters for determining the same are provided in the remuneration policy of the Company
- 6 Affirmation that the remuneration is as per the remuneration policy of the Company:** Yes, the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Date: 25th June, 2021
Place: Mumbai

Sd/-
Prakash B. Rane
Managing Director
(DIN: 00152393)

Sd/-
Sharadchandra D. Abhyankar
Director
(DIN: 00108866)

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is a continuous process at ABM. Your Company believes in adopting best practices of Corporate Governance. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. It is about commitment to values and ethical business conduct.

At ABM good governance practices forms part of business strategy which includes, inter alia, focus on long term value creation and protecting stakeholders' interests by applying proper care, skill and diligence to business decisions. We are committed to doing things the right way which means taking business decision and acting in a way that is ethical and in compliance with applicable legislations. The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long-term shareholders value.

Your Company is fully committed to conduct its business with due compliance of all applicable laws, rules and regulations. The Company's philosophy on Corporate Governance lays strong emphasis on integrity, transparency, accountability and full disclosure in all facets of its operations to achieve the highest standards of Corporate Governance and also to enhance the trust of the creditors, employees, suppliers, customers and public at large.

The Securities and Exchange Board of India (SEBI) regulates corporate governance for listed companies through SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company confirms the compliance of Corporate Governance as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of which are given below:

I. BOARD OF DIRECTORS :

The Board is entrusted and empowered to oversee the management, direction and performance of the Company with a view to protect interest of the stakeholders and enhance value for shareholders. The Board monitors the strategic direction of the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Managing Director of the Company. The Management Committee of the Company is headed by the Managing Director and has business / functional heads as its members, which look after the management of the day-to-day affairs of the Company.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Women Director and not less than fifty per cent of the Board comprising of Independent Directors. As on 31st March, 2021, the Board consists of Seven Directors comprising One Executive Director, Five Independent and One Non-executive Woman Director. The Independent Directors of the Company have been appointed for a term of 5 years in accordance with the relevant provisions of the Companies Act, 2013 and are not eligible to retire by rotation. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The profile of Directors can be found at our website at www.abmindia.com.

The Non-Executive Directors including Independent Directors on the Board are well qualified, experienced, competent and highly renowned persons from various fields. They take active part at the Board and Committee Meetings by

providing valuable guidance & expert advice to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors. The Company has also devised a policy on board diversity which is available on website of the Company.

During the year under review, Five Board Meetings were held and the gap between any two meetings did not exceed the gap as prescribed under the Companies Act, 2013. The said meetings were held on 22nd July, 2020, 24th August, 2020, 06th November, 2020, 29th January, 2021 and 26th March, 2021. The previous Annual General Meeting (AGM) of the Company held on 04th September, 2020 was attended by all the Directors.

Composition and Directorship(s) / Committee Membership(s) / Chairmanships(s) as on 31st March 2021:

The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and the Listing Regulations as amended from time to time.

Name of the Directors & Category	Date of Joining the Board	Number of Shares held in the Company	Number of Board Meeting attended	Number of Directorship in other Public Companies#	Membership(s) / Chairmanship(s) in Committees of Board of other Public Companies	Directorship in other Listed Entity
Mr. Prakash B Rane (Executive-Managing Director)	27/04/2000	95,42,300	5	Nil	Nil	Nil
Mrs. Supriya P Rane (Non-Executive Director)	27/04/2000	24,54,000	5	Nil	Nil	Nil
Mr. Sharadchandra Abhyankar (Independent Director)	28/10/2010	Nil	5	2	3	Independent director in Ashoka Buildcon Limited
Dr. Sumit Chowdhury, (Independent Director)	28/03/2016	Nil	5	Nil	Nil	Nil
Mr. Devendra Parulekar (Independent Director)	10/08/2018	Nil	5	Nil	Nil	Nil
Mr. Ashokkumar V. Dugade (Independent Director)	01/04/2020	Nil	5	Nil	Nil	Nil
Mr. Punit Kumar Jain (Independent Director)	04/09/2020	Nil	3	Nil	Nil	Nil

Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

All the Directors have made disclosures regarding their directorship and memberships on various Committees across all Companies in which they are directors and / or members. The number of Directorships, Committee Memberships / Chairmanships of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations). None of the Directors are related to each other except Mr. Prakash B. Rane and Mrs. Supriya P. Rane, who are husband and wife.

The Company has obtained a certificate from Mr. Upendra Shukla, Practicing Company Secretary, under Regulation 34(3) and Schedule V Para C Clause (10)(i) of Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the SEBI and Ministry of Corporate Affairs or any such authority and the same forms part of this Report. In terms of Regulation

25(8) of SEBI (LODR) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank. However, Mr. Devendra Parulekar's renewal of Registration of in the Databank is still pending.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. Board meeting dates are finalized in consultation with all directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Managing Director of the Company and agenda papers with detailed notes and other background information, which are essential for the Board to effectively and reasonably perform their duties and functions, are circulated well in advance before the meeting thereby enabling the Board to take proper decisions. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

The minutes of the Board Meetings are circulated in advance to all Directors and confirmed at subsequent Meeting. The Board also reviews the declarations made by all departmental heads of the Company regarding compliance of all applicable laws on a quarterly basis.

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees. The Company Secretary advises/assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings.

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and / or sought by them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. A familiarization policy in this regard has been framed by the Company and hosted on the Company's Website at www.abmindia.com.

CODE OF CONDUCT :

The Board of Directors have laid down Code of Conduct for Directors and Senior Management, ("the Code") for all the Board members and Senior Management Personnel. The Code has been displayed on the Company's website www.abmindia.com.

All the Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2021. A declaration to this effect signed by the Managing Directors forms part of this Annual Report.

SEPERATE INDEPENDENT DIRECTORS' MEETING :

As required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 of the SEBI (LODR) Regulations, Independent Directors of the Company met separately on 18th March, 2021 without the presence of Non-

Independent Directors and members of Management. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Managing Director of the Company taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

BOARD EVALUATION :

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination and Remuneration Committee.

Criteria for performance evaluation included aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency. Further, performance evaluation of the Managing Director was based on the implementation of various plans & policies in the Company, monitoring and implementation of the projects including the smooth day to day affairs and operations of the Company and finally performance and business achievements of the Company. During the year, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI (LODR) Regulations. The exercise was led by the Managing Director of the Company along with the Chairman of the Nomination and Remuneration Committee of the Company. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

The outcome of the Evaluation was shared with the Board, Chairman of respective Committees and individual Directors. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members. The Board expressed its satisfaction on the process as well as performance of all Directors, Committees and Board as a whole. It was noted that the Board Members from different backgrounds bring about different complementarities and deliberations in the Board and Committee Meetings are enriched by such diversity and complementarities.

II. COMMITTEES OF DIRECTORS :

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company and need a closer review. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

A) AUDIT COMMITTEE :

As on 31st March, 2021, the Audit Committee comprises of the members as stated below. The composition of the committee is in conformity with the Listing Regulations. The Audit Committee consists of four (4) Independent Directors. All the members of the Committee have relevant experience in financial matters.

During the financial year 2020-2021, the Committee met five times on 22nd July, 2020, 24th August, 2020, 06th November, 2020, 29th January, 2021 and 26th March, 2021.

Following are the details regarding the Composition and attendance of the Committee during the year:

Name of the Director	Categories of Director	Out of total 5 meetings the attendance is
Mr. Sharadchandra D. Abhyankar, Chairman	Independent and Non-Executive Director	5
Dr. Sumit D. Chowdhury, Member	Independent and Non-Executive Director	5
Mr. Devendra Parulekar, Member	Independent and Non-Executive Director	5
Mr. Ashokkumar V. Dugade, Member *	Independent and Non-Executive Director	1

*Appointed as a Member of the Committee w.e.f. 26th March, 2021.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The gap between the Audit Committee meetings was in compliance with the provisions contained in the Act and the Listing Regulations. The Audit Committee also reviews the functioning of the Whistle Blower Policy of the Company and cases reported thereunder. The recommendations of Audit Committee are duly approved and accepted by the Board. The Company Secretary acts as a secretary to the Audit Committee.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;
- reviewing management discussion and analysis of financial condition and results of operations;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;

- evaluating internal financial controls and risk management systems;
- reviewing the functioning of the Code of the Company and Whistle Blowing Mechanism.
- reviewing the utilisation of loans and / or advances from / investment in the Subsidiary exceeding ₹ 100 crores of 10 % of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. During the year, the terms of reference of the Committee was updated in line with the amendments to the Listing Regulations.

B) STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The Stakeholders' Relationship Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non-receipt of declared dividend, the performance of the Company's Registrars and Transfer Agents and other allied complaints.

The Stakeholders' Relationship Committee comprises of three Non-Executive Directors of the Board. During the year the Committee met four times on 22nd July, 2020, 24th August, 2020, 06th November, 2020 and 29th January, 2021.

The attendance of the Members of Stakeholders' Relationship Committee was as under:

Name of the Directors	Status	Out of total 4 meetings the attendance is
Mr. Sharadchandra Abhyankar, Chairman	Independent and Non-Executive Director	4
Mrs. Supriya P. Rane, Member	Non-Executive Director	4
Mr. Devendra Parulekar, Member	Independent and Non-Executive Director	4

In order to serve the shareholders expeditiously, the Board delegated its powers to approve the transfers / transmissions / dematerialisation / rematerialisation and address the shareholders complaints / requests, the Company Secretary of the Company. The total numbers of correspondences received from the Investors and resolved during the year under review were 12.

The Company has designated an e-mail ID egovernance@abmindia.com for registering the complaints by investors/shareholders. Mrs. Sarika Ghanekar, Company Secretary is the Compliance Officer.

M/s Universal Capital Securities Pvt. Ltd. is the Registrar and Share Transfer Agent of the Company. All grievances can be addressed to the Registrar and Share Transfer Agent at C 101, 247 Park, LBS Road, Vikhroli West, Mumbai-400083. Contact Number : +91 22 28207203 - 05 / 28257641.

C) NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter alia, includes:

- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits,

bonuses etc;

- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.
- Recommend to the Board, all remunerations, in whatever form, payable to Senior Management

The Nomination and Remuneration Committee presently comprises of four Directors. During the year under review, two Committee meetings were held on 15th July, 2020 and 18th March, 2021.

The attendance of the Members of Nomination & Remuneration Committee was as under:

Name of the Director	Categories of Director	Out of total 2 meetings the attendance is
Dr. Sumit D. Chowdhury, Chairman	Independent and Non-Executive Director	2
Mrs. Supriya P. Rane, Member	Independent and Non-Executive Director	2
Mr. Sharadchandra D. Abhyankar, Member	Independent and Non-Executive Director	2
Mr. Ashokkumar V. Dugade, Member *	Independent and Non-Executive Director	0

*Appointed as a Member of the Committee w.e.f. 26th March, 2021.

POLICY FOR SELECTION, APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:

The Directors of the Company are appointed / re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee ("N&R Committee") and approval of the Members at the General Meetings. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. For the purpose of appointment of any Executive Director, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee shall also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

The appointment of Executive Directors, Key Managerial Personnel, Management Committee Members and other employees are by virtue of their employment / contract of service with the Company as management employees and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period etc., are governed by the applicable policies at the relevant point in time.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level. The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, information technology, governance and general management.

The N&R Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Non-Executive Director.

- i) Qualification, experience and expertise of the Non-Executive Directors in their respective fields;
- ii) Personal, professional or business standing;
- iii) Diversity of the Board.

As regards the appointment of Independent Directors following is the policy adopted by the Board

1. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which

are consistent with the Act and Listing Regulations.

2. The Independent Directors can serve a maximum of two terms of five years each, after the introduction of the Act.
3. The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Act and the Listing Regulations.
4. The Company shall ensure that the appointment of any Non-Executive Director who has attained the age of 75 years is approved by the Members of the Company by way of Special Resolution.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

The Company's Nomination and Remuneration Policy considers human resources as its invaluable assets. The said Policy aims to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company. The Remuneration Policy for all employees is designed to attract talented personnel and remunerate them fairly and responsibly, this being a continuous ongoing exercise at each level in the organization.

The Nomination and Remuneration Committee considers the outcome of the annual Evaluation before recommending the changes in the remuneration of the Executive Directors and appointment / re-appointment of Directors.

The Company pays remuneration by way of salary, perquisites and allowances and commission (variable component) to its Managing Director. Salary is paid based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, subject to the approval of the shareholders within the limits stipulated by the Companies Act, 2013 and the Rules made thereunder. The remuneration paid to the Managing Director is determined keeping in view the industry benchmark and the relative performance of the Company compared to the industry performance.

Any person who becomes Director or Officer, including an employee who is acting in managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance policy. The Company has provided insurance cover in respect of legal action against its Directors and employees under the Directors' and Officers' Liability Insurance.

The remuneration to Non-Executive Directors comprises of sitting fees and variable commission. The remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and certain Committee meetings as well as time spent on matters other than at meetings. During the year, there were no pecuniary relationships or transactions between the Company and any of its Non- Executive Directors apart from sitting fees.

Remuneration paid to the Board of Directors during the year under review is as follows:

(₹ In Thousand)

Name of the Director	Status	Salary & Perquisites	Commission	Sitting Fees
Mr. Prakash B. Rane	Managing Director	16,653.38	0.00	0.00
Mrs. Supriya P. Rane	Director	0.00	0.00	220.00
Mr. Sharadchandra Abhyankar	Director	0.00	0.00	320.00
Dr. Sumit Chowdhury	Director	0.00	0.00	240.00
Mr. Devendra Parulekar	Director	0.00	0.00	280.00
Mr. Ashokkumar V. Dugade	Director	0.00	0.00	100.00
Mr. Punit Kumar Jain	Director	0.00	0.00	60.00
Total (₹)		16,653.38	0.00	1,220.00

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

1. **Business Leadership:** Innate leadership skills including ability to appropriately represent the organization; set appropriate Board and organization Culture and make and take responsibility for decisions and actions
2. **Strategy and Strategic Planning:** Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of strategic objectives of the company's relevant policies and priorities
3. **Finance & Accounting:** Qualifications and experience in accounting and/or finance and ability to analyse key financial statements, financial performance; contribute to strategic financial planning; oversees budgets and the efficient use of resources; oversees funding arrangements resources; oversees funding arrangements and accountability
4. **Risk:** Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks and systems
5. **Law:** Expert knowledge of Corporate Law and overseeing compliance with other applicable laws.
6. **Information Technology:** Knowledge and experience in the strategic use and governance of information management and information technology within the organization
7. **Commercial:** broad range of commercial/business experience in areas including communications, marketing, branding and business systems, practices and improvement
8. **Marketing:** Knowledge of and experience in marketing services to business clients.

Name of the Director	Business Leadership	Strategy and Strategic Planning	Finance & Accounting	Risk	Law	Information Technology	Commercial	Marketing
Mr. Prakash B. Rane	✓	✓		✓		✓	✓	✓
Mrs. Supriya P. Rane			✓				✓	
Mr. Sharadchandra Abhyankar		✓	✓	✓	✓			
Mr. Devendra Parulekar	✓	✓	✓	✓		✓		
Dr. Sumit Chowdhury	✓		✓	✓		✓		✓
Mr. Ashokkumar V. Dugade		✓	✓					
Mr. Punit Kumar Jain		✓				✓		

Directors:

Detailed profile of Director retiring by rotation and being eligible, seeking re-appointment is as below. The same has also been covered under Notice which is forming part of the Annual Report of the Company.

Mrs. Supriya P Rane: Mrs. Supriya P Rane is a Promoter and Non-Executive Director of the Company. She has been associated with the Company from its inception. She is an Electronic Engineer with a Post Graduate Diploma in System Management. She has considerable management experience, particularly in systems and processes. She provides advice and guidance to the Company for its overall growth to make it a dynamic and progressive organization. The Company has been benefited from her rich experience.

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The main responsibility of the Committee is to formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company as specified in Companies Act, 2013, recommending the expenditure on CSR activities & monitoring the activities undertaken from time to time.

The composition of the Corporate Social Responsibility Committee and the details on the number of Meetings held and attended by the Members during the Financial Year 2020-2021 are given below:

Name of the Director	Status	Out of total 4 meetings the attendance is
Mrs. Supriya P. Rane, Chairperson	Non-Executive Director	4
Mr. Sharadchandra Abhyankar, Member	Independent and Non-Executive Director	4
Dr. Sumit Chowdhury, Member	Independent and Non-Executive Director	4
Mr. Ashokkumar V. Dugade, Member *	Independent and Non-Executive Director	1

*Appointed as a Member of the Committee w.e.f. 26th March, 2021.

During the Financial Year ended 31st March, 2021, the Committee met four times on 22nd July, 2020, 16th November, 2020, 29th January, 2021 and 29th March, 2021.

The Company has in place a CSR Policy formulated by the Committee and approved by the Board of Directors. During the Financial Year 2020-2021, the Committee approved the CSR activities and monitored the progress on CSR activities undertaken by the Company on quarterly basis. The Company has been able to spend the mandatory 2% of average net profits of immediately preceding 3 years on various CSR activities, the details of which are given in CSR Report approved by the Committee and attached to the Director's Report. During the financial year ended 31st March, 2021, the Committee had recommended to the Board to approve the amendments to its CSR Policy to include the initiatives as per Schedule VII of the Act. The CSR Policy is uploaded on Company's website at www.abmindia.com.

E) RISK MANAGEMENT COMMITTEE :

The Risk Management Committee of the Company comprises Mr. Prakash B. Rane as the Chairman and Mr. Sharadchandra Abhyankar and Mr. Govind Singh Chauhan as members of the Committee.

The Risk Management Committee is responsible for ensuring the effectiveness of the risk management framework of the Company, focusing on the strategic risks and reviewing the progress of the mitigation plan. It reviews, assesses the quality, integrity and effectiveness of the Risk Management plan and systems and ensures that the risk policies and strategies are effectively managed by the management and that risks taken are within the agreed tolerance and appetite levels.

During the Financial Year ended 31st March, 2021, the Committee met four times on 25th August, 2020, 06th November, 2020, 29th January, 2021 and 26th March, 2021 for reviewing the Company level risks and mitigation plans and actions.

Name	Status	Out of total 4 meetings the attendance is
Mr. Prakash B. Rane, Founder & Managing Director	Chairperson	4
Mr. Sharadchandra Abhyankar, Independent and Non-Executive Director	Member	4
Mr. Govind Singh Chauhan	Member	4

Code for prevention of Insider-trading practices :

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for Prevention of Insider Trading. The objective of this Code is to prevent misuse of any unpublished

price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mrs. Sarika Ghanekar, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code. In line with the requirements of amendments to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has amended the Code.

Whistle Blower Policy :

The Company promotes ethical behaviour in all its business activities and in line with the best governance practices, Pursuant to Section 177(9) and (10) of the Act, Regulation 4(2)(d) of Chapter II of the Listing Regulations and Regulation 9A (6) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Whistle Blower Policy, as part of vigil mechanism through which Directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal.

This policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrong-doing in the Company. Adequate safeguards have been provided in the policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases. Audit Committee periodically reviews the existence and functioning of this mechanism. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. The Company has provided dedicated email address whistleblower@abmindia.com for reporting such concerns. The details of establishment of vigil mechanism are available on the website of the Company.

Fees paid to Auditors :

Total fees for all services paid by the Company and the subsidiaries, on a consolidated basis, to the M/s. Borkar & Muzumdar, Chartered Accountants Statutory Auditors and all the entities in the network firm/network entity of which Statutory Auditors is part during the financial year 2020-2021 is ₹ 9,50,000/- (excluding taxes).

Certification by Chief Executive Officer:

The certificate of Chief Executive Officer and Chief Financial Officer on the financial statements and the cash flow statement for the year is annexed at the end of the report on Page No.48. The said certificate is signed by Mr. Prakash B. Rane, Managing Director and Mr. Paresh Golatkar, Chief Financial Officer of the Company.

III. SHAREHOLDERS' INFORMATION :**a) General Information:****28th Annual General Meeting**

Date	: 12 th August, 2021
Time	: 10.30 a.m.
Venue	: Meeting is being conducted through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM.
Date of Book closure	: Friday, 6 th August, 2021 to Thursday, 12 th August, 2021 (Both days include)
Dividend Payment Date	: On or before 30 th August, 2021 (subject to shareholder's approval)

Corporate Identity Number (CIN) : L67190MH1993PLC113638

b) Address for Correspondence :

Registered Office of the Company

Shareholder can correspond at the Registered Office of the Company at Mumbai i.e. ABM House, Plot No. 268, Linking Road, Bandra (West), Mumbai - 400 050.

c) Share Transfer Agent :

Registrar & Share Transfer Agents: M/s. Universal Capital Securities Private Limited, C 101, 247 Park, LBS Road, Vikhroli West, Mumbai - 400083. Contact Number: +91 22 28207203 - 05 / 28257641.

d) General Body Meetings:

The last three Annual General Meetings (AGM) of the Company were held on the following dates and time:

Date	Time	Address	Special Resolution
25 th AGM on 08.08.2018	10.30 a.m.	Dadar Bhagini Samaj, 1 st Floor, Hindu Colony, Dadar (E), Mumbai - 400 014	i) Special Resolution passed for approval for payment of remuneration to Mr. Prakash B. Rane, Managing Director of the Company. ii) Special Resolution passed for determination of fees to be charged for service of documents in a particular mode.
26 th AGM on 16.08.2019	10.30 a.m.	Dadar Bhagini Samaj, 1 st Floor, Hindu Colony, Dadar (E), Mumbai- 400 014	i) Special Resolution for re-appointment of Mr. Sharadchandra Abhyankar as an Independent Director for a second term.
27 th AGM on 04.09.2020	10.00 a.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular	i) Special Resolution for re-appointment of Mr. Prakash B. Rane as Managing Director of the Company for a period commencing from 01 st April, 2020 to 31 st March, 2025.

Postal Ballot:

Whether any special Resolutions:-

- i) Were put through Postal Ballots last year : Yes (2 Resolutions)
ii) Details of voting pattern : -

RESOLUTION 1

Resolution required: (Ordinary/ Special)			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Description of resolution considered:			Re-Appointment of Dr. Sumit D. Chowdhury (DIN: 02117586) as an Independent Director of the Company for a second consecutive term of five (5) years w.e.f. 28 th March, 2021					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	E-Voting	13386929	13385300	99.99	13385300	0	100.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		13386929	13385300	99.99	13385300	0	100.00
Public-Institutions	E-Voting	114500	114500	100.00	0	114500	0.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		114500	114500	100.00	0	114500	0.00

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Public- Non Institutions	E-Voting	6500771	161839	2.49	161762	99	99.95	0.05
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		6500771	161839	2.49	161762	77	99.95
Total		20002200	13661639	68.30	13547062	114577	99.16	0.84

RESOLUTION 2

Resolution required: (Ordinary/ Special)		Special Resolution						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Description of resolution considered:		To approve the payment of Commission to Non-Executive Directors for a period of 5 years w.e.f. 01 st April, 2021.						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	E-Voting	13386929	13385300	99.99	13385300	0	100.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		13386929	13385300	99.99	13385300	0	100.00
Public-Institutions	E-Voting	114500	114500	100.00	0	114500	0.00	100.00
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		114500	114500	100.00	0	114500	0.00
Public- Non Institutions	E-Voting	6500771	161639	2.49	161297	342	99.79	0.21
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total		6500771	161639	2.49	161297	342	99.79
Total		20002200	13661439	68.30	13546597	114842	99.16	0.84

iii) Person who conducted the Postal Ballot exercise:

Mr. U. C. Shukla, Practicing Company Secretary was appointed as the Scrutinizer to conduct the Postal Ballot.

iv) Are proposed to be conducted through Postal Ballot : No

v) Procedure for Postal Ballot:

The postal ballot is conducted in accordance with the provisions contained in Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, read with read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs. The shareholders were provided with the facility to vote by e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available and also displayed on the website of the Company. The Results of the Postal Ballot were declared on 03rd May, 2021.

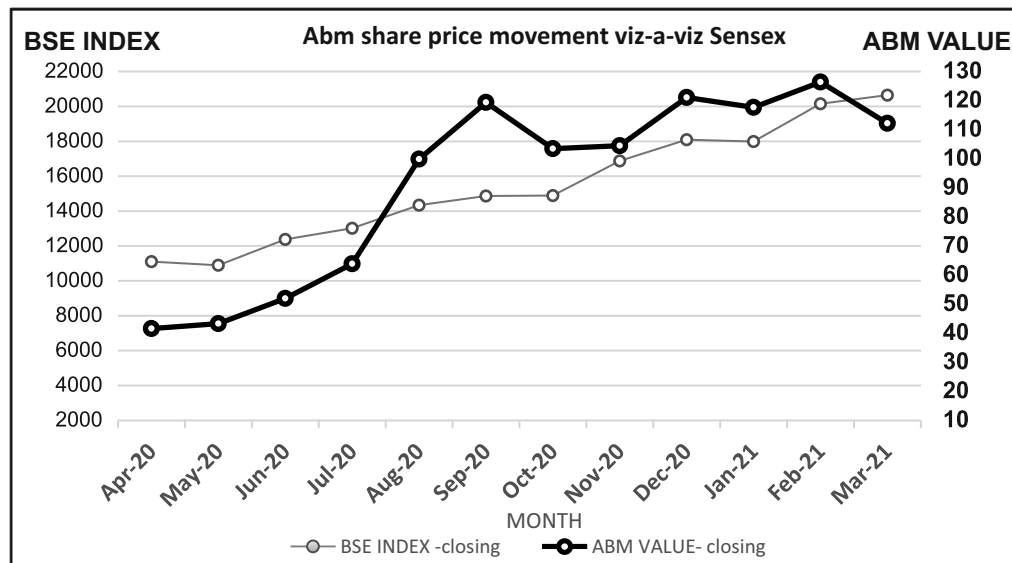
Listing at Stock Exchange :

The Equity Shares of the Company are listed at The Bombay Stock Exchange Limited, Dalal Street, Fort, Mumbai Code No. ABMKNOWLEDGE: 531161 and the Company has duly paid the Listing fees as applicable to the Company.

Listing and Market Price Data :

The high and low prices of every month during the financial year 2020-2021 are given below:

Month	High	Low	Close	Volume (Number)
April 2020	49.80	34.20	41.60	1,02,853
May 2020	45.90	38.00	43.30	26,566
June 2020	52.70	41.95	51.95	3,52,546
July 2020	65.80	43.20	63.85	8,28,228
August 2020	107.00	64.00	99.90	9,26,030
September 2020	119.55	90.55	119.40	7,31,141
October 2020	132.80	99.30	103.50	6,76,014
November 2020	118.45	101.50	104.50	2,05,908
December 2020	128.65	101.00	121.10	5,78,892
January 2021	145.45	115.15	117.70	5,09,884
February 2021	135.00	105.95	126.40	8,30,219
March 2021	136.90	110.00	112.20	4,76,922


Share Transfer System:

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the M/s. Universal Capital Securities Pvt. Ltd., Registrar & Share Transfer Agent of the Company. Stakeholders` Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the Company Secretary of the Company. A summary of all the transfers/ transmissions etc. so approved by Company Secretary of the Company is placed at every Committee meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

The Company obtains, from a Company Secretary in practice, half yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges. In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed unless the securities are held in the dematerialised form with a depository.

A qualified practising Company Secretary carried out a Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") and the total issued and listed capital. The said report confirms that the total issued / paid-up capital reconciles with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL. This report is sent to the Stock Exchange on a quarterly basis within 30 days from the end of the every quarter.

Shareholding Pattern and Distribution of Shares - as at 31st March, 2021:

SHAREHOLDING PATTERN			DISTRIBUTION OF SHAREHOLDING				
Category	No. of Shares	% to the Total Paid up Capital	Category of Shares	Shareholders		Respective Shareholding	
				Total	%	Total	%
Promoters	13386929	66.93	1-500	3904	81.333	508330	2.541
NRIs / OCBs	2323772	11.62	501-1000	434	9.042	350486	1.752
Indian Public	3250873	16.25	1001-2000	203	4.229	311863	1.559
Bodies Corporate	369908	1.85	2001-3000	67	1.396	177286	0.886
Others:	-	-	3001-4000	43	0.896	157599	0.788
HUF	253949	1.27	4001-5000	30	0.625	140366	0.702
Clearing Members/ Foreign Nationals / Mutual Funds / NBFCs registered with RBI	125767	0.63	5001-10000	66	1.375	485149	2.425
IEPF A/c	291002	1.45	10001-Above	53	1.104	17871121	89.346
Total	20002200	100.00		4800*	100.00	20002200	100.00

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder. There will be a difference in the number of shareholders based on demat and PAN, since shareholders can have multiple demat accounts under a single PAN.

Dematerialization of Shares:

The Shares of the Company are compulsory traded in the dematerialized form on Stock Exchange by all investors. As on 31st March, 2021, 86.20% shares of the Company are held in dematerialized form.

The International Securities Identification Number (ISIN) allotted to the Company's equity shares is ISIN INE850B01026.

Transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules 2016, dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The dividend for following years (see table below), which remains unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of dividends specified below are available on the website of the Company www.abmindia.com. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, w.e.f. September 7, 2016, shareholders may claim their unclaimed amount as per the procedures / guidelines issued by the Ministry of Corporate Affairs (MCA). For details, investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

Dates of declaration of dividends since 2006-2007 and the dates by which they can be claimed by the shareholders are given in the table below:

Financial Year	Date of Declaration	Last Date for claiming unpaid dividend (before)
2006-2007	26.09.2007	Transferred to IEPF
2007-2008	25.09.2008	Transferred to IEPF
2008-2009	25.08.2009	Transferred to IEPF
2009-2010	29.07.2010	Transferred to IEPF
2010-2011	25.08.2011	Transferred to IEPF
2011-2012	25.07.2012	Transferred to IEPF
2012-2013	24.07.2013	Transferred to IEPF
2013-2014	18.09.2014	22.10.2021
2014-2015	20.08.2015	24.09.2022
2015-2016	12.08.2016	30.09.2023
2016-2017	27.07.2017	01.09.2024
2017-2018	08.08.2018	13.09.2025
2018-2019	16.08.2019	21.10.2026
2019-2020	18.02.2020	25.03.2027

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPF) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years :

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPF) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits, if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPF can be claimed back by the shareholder from IEPF by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company. The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

Consequent to the above, during the financial year 2020-2021, 14800 equity shares of the Company were transferred to the IEPF. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. Relevant details of such shares is available on the website of the Company www.abmindia.com. (The Company does not have any shares in the demat suspense account or unclaimed suspense account.)

Governance of Subsidiary Companies:

InstaSafe Technologies Private Limited (“Instasafe”) is subsidiary of ABM. InstaSafe has incorporated a wholly owned subsidiary Company by name “InstaSafe Inc” in Delaware, United State of America. The operations and performance of the subsidiary company is reviewed on a quarterly basis as under:

- a) The minutes of the meetings of the Board of the Directors of the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangement, if any entered into by the subsidiary companies.
- b) The Audit Committee of the Company reviews the financial statements, in particular the investment made by the subsidiary companies.

The Company has adopted a Policy for determining Material Subsidiary in line with the requirements of the Listing Regulations and the same is disclosed on the website of the Company. The Company does not have a material subsidiary as on date of this report, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of your Company.

Proceeds from Preferential allotment or Qualified Institutional Placement etc.:

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

Credit Ratings:

CRISIL has given the Long term credit rating of CRISIL BBB+/Stable and Short Term as CRISIL A2+ for debt instrument / facilities of the Company.

Compliance with the discretionary requirements under Listing Regulations:

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

i) Audit qualifications:

The Company's financial statements are unqualified.

ii) Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchange, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations.

Disclosure on Website:

Following information has been disseminated on the website of the Company at www.abmindia.com:

1. Details of business of the Company.
2. Composition of various Committees of the Board.
3. Code of Conduct and Ethics.
4. Whistle Blower policy.
5. Risk Management Policy.
6. Board Diversity Policy.
7. Policy on dealing with Related Party Transactions.
8. Details of familiarization programmes imparted to Independent Directors.
9. Terms and conditions of appointment of Independent Directors.
10. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
11. Policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information.
12. Code of Conduct to Regulate, Monitor and Report Trading by Insiders.

13. Corporate Responsibility Policy.
14. Policy on preservation of documents.
15. Policy on Determination of materiality of events.
16. Archival Policy.
17. Policy on Prevention of Sexual Harassment at Workplace.
18. Policy for determining Material Subsidiary.
19. Nomination & Remuneration Policy.
20. Code of Conduct for Board of Directors and Senior Management Personnel.

Means of Communication:

- a) The quarterly, half yearly and annual results are published in Navshakti (in Marathi) and Free Press Journal (in English) within 48 hours from the date of declaration. These are not sent individually to the Shareholders.
- b) The Company's website www.abmindia.com contains a dedicated functional segment called "Investors" where all the information needed by the shareholders is available, including the Shareholding pattern, Financial Results, Annual Reports, Notices etc.
- c) The Company's dedicated email address for Investors' Complaints and other communications is egovernance@abmindia.com.
- d) SCORES (SEBI complaints redressal system): SEBI vide its circular dated 26th March, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). As per the new process, SEBI has requested the Members to approach the Company directly at the first instance for their grievance.
- e) All price sensitive information and matters that are material to Members are disclosed to the Stock Exchange where the securities of the Company are listed. The Quarterly Results, Corporate Governance Report, Shareholding Pattern and all other corporate communications to the Stock Exchange are filed through BSE Listing Centre, for dissemination on their website.
- f) The Management Discussion & Analysis Report forms part of this Annual Report.

For and on behalf of the Board

Date: 25th June, 2021
Place: Mumbai

Sd/-
Prakash B. Rane
Managing Director
(DIN: 00152393)

Sd/-
Sharadchandra D. Abhyankar
Director
(DIN: 00108866)

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of **ABM Knowledgeware Limited** ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2021 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

For and on behalf of the Board

Date: 25th June, 2021
Place: Mumbai

Sd/-
Prakash B. Rane
Managing Director
(DIN: 00152393)

Sd/-
Paresh Golatkar
Chief Financial Officer

**INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE
REQUIREMENTS UNDER SEBI**

(Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE MEMBERS OF ABM KNOWLEDGEWARE LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 13th August, 2020.
2. We have examined the compliance of conditions of Corporate Governance by ABM Knowledgeware Limited ("the Company"), for the year ended 31 March 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchange.

Management Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Audit Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2021.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Borkar & Muzumdar
Chartered Accountants
FRN: 101569W**

**Date: 25th June, 2021
Place: Mumbai**

**Sd/-
Deepak Jain
Partner
Membership No: 154390
UDIN: 21154390AAAAET6950**

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

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

To

The Board of Directors
ABM Knowledgeware Limited
ABM House, Plot No. 268
Linking Road, Bandra(W)
Mumbai- 400 050

I have examined the registers, records, books, form, returns and disclosures received from the Directors of ABM Knowledgeware Limited, (CIN L67190MH1993PLC113638), having Registered Office at ABM House, Plot No. 268 Linking Road, Bandra (West) Mumbai 400 050 (the Company), produced before me by the Company for the purpose of issuing this Certificate in pursuance to Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. I have conducted online verification and examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status on MCA website) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31st March, 2021 has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India and/or Ministry of Corporate Affairs:

Sr. No.	Name of the Director & DIN	Designation	Date of Appointment in the Company
1	Mr. Prakash B. Rane (DIN: 00152393)	Managing Director	27/04/2000
2	Mrs. Supriya P. Rane (DIN: 00152890)	Non-Executive Director	27/04/2000
3	Mr. Sharadchandra Abhyankar (DIN: 00108866)	Independent Director	28/10/2010
4	Mr. Devendra Parulekar (DIN: 06705320)	Independent Director	10/08/2018
5	Dr. Sumit D. Chowdhury (DIN: 02117586)	Independent Director	28/03/2016
6	Mr. Ashokkumar V. Dugade (DIN: 02922248)	Independent Director	01/04/2020
7	Mr. Punit K. Jain (DIN: 07325636)	Independent Director	04/09/2020

Note: Ensuring the eligibility for appointment / continuing as Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification of documents / information available to me. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

UDIN:F002727C000513017
Date: 25th June, 2021
Place: Mumbai

Sd/-
(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
ABM Knowledgeware Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ABM Knowledgeware Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. I have conducted online verification and examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the ABM Knowledgeware Limited for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing – not applicable since the Company does not have any FDI, ODI or ECB;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

I report that during the year under review there was no action / event in pursuance of –

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998; and
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008;

- e) The Securities and Exchange Board of India (Employees Stock Option Scheme and employees Stock Purchase Scheme) Guidelines, 1999 and/or SEBI (Share Based Employee Benefits) Regulations, 2014.
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
- (vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India.
- b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Listing Agreement entered into by the Company with BSE Ltd.

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

- *The Company submitted Disclosure on Related Party Transactions for the half year ended on 30th September, 2020 beyond the defined timeline as required under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.*
- *Renewal of Mr. Devendra K. Parulekar, Independent Director in Independent Director's Databank with Indian Institute of Corporate Affairs as required under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 is still pending.*

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the year under review.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- There was a delay of 42 days in submitting the Disclosure on Related Party Transactions for the half year ended on 30th September, 2020 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.
- Renewal of Mr. Devendra K. Parulekar, Independent Director in Independent Director's Databank with Indian Institute of Corporate Affairs as required under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 is still pending.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports by respective department heads / Company Secretary, which are reviewed by the Managing Director and taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and

guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same is subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, there was no specific event/action in pursuance to the laws, rules, regulations, guidelines, etc. as referred to above, having major bearing on the Company's affairs.

Date: 25th June, 2021

Place: Mumbai

Sd/-

(U.C. SHUKLA)

COMPANY SECRETARY

FCS: 2727/CP: 1654

UDIN:F002727C000513261

Note: This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE A

To,

The Members,

ABM Knowledgeware Limited

My report of even date is to be read with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 25th June, 2021

Place: Mumbai

Sd/-

(U.C. SHUKLA)

COMPANY SECRETARY

FCS: 2727/CP: 1654

UDIN:F002727C000513261

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****ABM KNOWLEDGEWARE LIMITED****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of **ABM KNOWLEDGEWARE LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year then ended on that date, a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS) and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statement 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by The Institute of Chartered Accountant of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a Separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matter
01	<p>Revenue recognition (refer to the summary of significant accounting policies in point 2.02 (b) and the disclosures in note 2.25 of the consolidated financial statements)</p> <p>The group derives significant portion of its revenue from long-term projects. Estimation of efforts is a critical estimate to determine revenues for contract. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining contract performance obligations. Some of the contracts have complex terms and conditions requiring management analysis, judgement, and application of guidance for appropriate recognition of revenue and the corresponding balances of accounts receivables, unbilled revenues, and deferred revenues. In consideration of certain key judgements and principles used for recognition of revenue we have identified this matter to be a key audit matter.</p>	<p>We have performed walkthrough and understood the process and tested key controls associated with the revenue recognition process.</p> <p>We made enquiries of management and analysed contracts on sample basis to evaluate whether revenue was recognized in accordance with their terms and conditions. We have:</p> <ol style="list-style-type: none"> 1. Assessed the Company's accounting policies relating to revenue recognition. 2. Checked the revenue recognition from contracts by reading the supporting documents including inspection of contracts / statement of work/purchase orders from customers and documents evidencing delivery, on a test check basis; 3. Checked, pre and post year end, sample of revenue recognized and agreed with the supporting documents. 4. Checked the Consolidated Ind AS financial statement disclosures in this regard.
02	<p>Receivable from Government customers (refer to disclosures in note 2.09 of the consolidated financial statements)</p> <p>The gross balance of trade receivables as at March 31, 2021 amounted to ₹ 2,768.64/- Lakhs, which comprises of ₹ 2,488.81/- Lakhs receivable from Government customers.</p> <p>The assessment of the recoverability of the receivables from the Government Customers, requires management to make judgements and estimates to assess the certainty regarding the recoverability from Government Customer. Accordingly, this has been identified as a key audit matter</p>	<p>We evaluated the Group's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers.</p> <ol style="list-style-type: none"> 1. Our audit procedures include: We evaluated management's continuous assessment of the assumptions used in the recoverability assessment. These considerations include whether there are regular receipts from the customers, past collection history as well as an assessment of the customers' credit ability to make repayments. 2. We have checked the subsequent collection made from the Government debtors and discussed with management the reasons of any long outstanding amounts and correspondences with the customers. 3. We have checked the calculation of delay risk under expected credit loss model evaluated the Standalone. 4. Evaluated the consolidated financial statement disclosure in this regard.

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, for example Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this our auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding 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 consolidated financial statements that give true & fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism

throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statement represent the underlying transaction and the events in a manner that achieve fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. 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.

Materiality is the magnitude of misstatement in the consolidated financial statement that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit

matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would be reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the consolidated financial statements of one subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 969.17 lakhs as at March 31, 2021, total revenues of Rs. 1597.97 Lakhs and net cash flows amounting to Rs. 94.21 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management. Our opinion on the consolidated 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) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above 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

1. As required by the section 143 (3) of the Act, based on our report and on consideration of report of the other auditor on separate financial statements and the other financial information of subsidiaries as referred in the 'Other Matter' paragraph, we report to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law have been relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards Prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - e. On the basis of the written representations received from the directors of Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory auditors of its subsidiary company incorporated in India, none of the directors of the Companies are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting; refer to our separate report in “**Annexure A**” which is based on the auditor's report of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reason stated therein.
- g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary, incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Holding Company and its subsidiary Company incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiaries as noted in the ‘Other Matter’ paragraph:
- i. The consolidated financial statements disclose the impact of pending litigation on the Consolidated Financial Position of the Group. Refer to Note 2.33 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2021.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended March 31, 2021.

**For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W**

**Sd/-
Deepak Kumar Jain
Partner
(M.No. 154390)
UDIN: 21154390AAAAEP7522**

**Date: 25th June, 2021
Place: Mumbai**

ANNEXURE “A” TO THE INDEPENDT AUDITOR'S REPORT

(Referred to in the paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **ABM KNOWLEDGEWARE LIMITED** of even date).

Report on the Internal Financial Controls Over Financial Reporting 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 the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of ABM KNOWLEDGEWARE LIMITED (hereinafter referred to as “Company”) and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, and based on the consideration of report of other auditor, as referred to in 'Other Matter' paragraph below, the Holding Company and its Subsidiary Companies, which are companies incorporated in India, have, 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports 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, in so far as it relates to separate financial statements of subsidiaries, which is Company incorporated in India, is based on the corresponding reports of the auditor of such Company incorporated in India.

Date: 25th June, 2021

Place: Mumbai

**For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W**

**Sd/-
Deepak Kumar Jain
Partner
(M.No. 154390)
UDIN: 21154390AAAAEP7522**

Consolidated Balance sheet as at 31st March, 2021

(In ₹ Thousand)

Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
1. Non-current assets			
a) Property, plant and equipment	2.03	4,38,569	4,48,692
b) Capital work-in-progress	2.03	-	-
c) Intangible assets	2.03	38,970	32,080
d) Goodwill		33,545	33,545
e) Financial assets			
i) Investments	2.04	10,078	-
ii) Loans	2.05	2,459	2,574
iii) Other Financial assets	2.06	32,739	23,228
f) Income tax asset (net)		14,130	7,485
g) Other non-current assets	2.07	7,284	4,990
Total non-current assets		5,77,774	5,52,594
2. Current assets			
a) Financial assets			
i) Investments	2.08	6,34,370	7,73,160
ii) Trade receivables	2.09	2,64,285	3,35,561
iii) Cash and cash equivalents	2.10	3,52,875	36,501
iv) Bank balances other than cash and cash equivalents	2.11	1,95,776	35,135
v) Loans	2.12	18,145	21,609
vi) Other Financial assets	2.13	63,061	62,573
b) Current tax assets (Net)	2.14	11,456	14,021
c) Other current assets	2.15	1,28,469	1,69,967
Total current assets		16,68,437	14,48,527
TOTAL ASSETS		22,46,211	20,01,121
EQUITY AND LIABILITIES			
1. EQUITY			
a) Equity share capital	2.16	1,02,415	1,02,415
b) Other equity	2.17	17,76,707	15,74,256
c) Non-controlling interest		21,066	5,270
Total equity		19,00,188	16,81,941
2. LIABILITIES			
Non-current liabilities			
a) Deferred Liabilities (Net)	2.18	70,719	70,996
b) Provisions	2.19	2,289	1,603
c) Other non-current liabilities	2.20	2,227	2,227
Total non-current liabilities		75,235	74,826
Current liabilities			
a) Financial liabilities			
i) Trade payables			
a) Trade payables - outstanding dues to micro and small enterprises	2.21	-	-
b) Trade payables - outstanding dues to other than micro and small enterprises	2.21	1,35,800	7,993
ii) Other financial liabilities	2.22	33,413	40,154
b) Other current liabilities	2.23	1,01,518	1,96,167
c) Provisions	2.24	57	40
Total Current Liabilities		2,70,788	2,44,354
TOTAL EQUITY AND LIABILITIES		22,46,211	20,01,121

Notes 1.1 to 2.44 form an integral part of these financial statements

As per our report of even date
For Borkar & Muzumdar
 Chartered Accountants
Firm Registration No.:101569W
Deepak Kumar Jain
 Partner
Membership No.: 154390
 Mumbai
 25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director
 (DIN : 00152393)
Sharadchandra D. Abhyankar - Director
 (DIN : 00108866)
Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(In ₹ Thousand)

Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
1. Income			
a) Revenue from operations	2.25	8,93,277	7,26,838
b) Other income	2.26	49,590	43,849
Total income		9,42,867	7,70,687
2. Expenses:			
a) Operating expense		2,49,452	2,19,259
b) Employee benefits expense	2.27	2,88,863	2,59,284
c) Finance costs	2.28	4,322	2,484
d) Depreciation and amortisation expense	2.29	20,450	17,618
e) Rent expense		4,002	4,396
f) Travelling and conveyance expenses		5,348	6,526
g) Impairment losses	2.30	7,500	4,128
h) Other expenses	2.31	76,529	49,521
Total expenses		6,56,466	5,63,216
3. Profit before exceptional items and tax (1-2)		2,86,401	2,07,471
4. Exceptional Items		-	-
5. Profit before tax (3-4)		2,86,401	2,07,471
6. Tax Expense:	2.32		
a) Current tax		70,660	48,343
b) Deferred tax		(277)	(9,127)
7. Profit for the year from continuing operations (5-6)		2,16,018	1,68,255
8. Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Measurements of defined employee benefit plans		(2,214)	(1,202)
Exchange differences on translation into presentation currency		(15)	(964)
Income tax effect on the above	2.32	-	-
Total Other Comprehensive Income (OCI) net of Tax		(2,229)	(2,166)
9. Total comprehensive income for the year (7+8)		2,18,247	1,70,421
Profit attributable to			
Owners		2,00,104	1,56,291
Non controlling interest		15,914	11,964
		2,16,018	1,68,255
Other Comprehensive Income (OCI) attributable to:			
Owners		(2,347)	(1,468)
Non-controlling interests		118	(698)
		(2,229)	(2,166)
Total comprehensive income attributable to:			
Owners		2,02,451	1,57,759
Non-controlling interests		15,796	12,662
		2,18,247	1,70,421
10. Earnings per equity share of ₹ 5 each			
a) Basic (₹)	2.35	10.12	7.89
b) Diluted (₹)	2.35	10.12	7.89

Notes 1.1 to 2.44 form an integral part of these financial statements

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

 25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Consolidated Statement of changes in equity for the year ended 31st March 2021

(In ₹ Thousand)

Particulars	Equity Share Capital	Other Equity					Amount attributable to Owners of the parent	Non Controlling Interest	Total
		Reserve and Surplus		Items of OCI					
		General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity Instrument through OCI	Other items of OCI			
As at 1 April, 2019	1,02,415	30,805	14,45,053	2	33	888	14,76,781	15,71,804	
Profit for the year	-	-	1,56,291	-	-	-	1,56,291	1,68,255	
Measurements of defined employee benefit plans (net of tax)	-	-	-	-	-	1,267	1,267	1,202	
Exchange differences on translation into presentation currency	-	-	-	201	-	-	201	964	
Equity dividend and Dividend Distribution Tax	-	-	(60,284)	-	-	-	(60,284)	(60,284)	
Balance as on March 31, 2020	1,02,415	30,805	15,41,060	203	33	2,155	15,74,256	16,81,941	
As at 1 April, 2020	1,02,415	30,805	15,41,060	203	33	2,155	15,74,256	16,81,941	
Profit for the year	-	-	2,00,104	-	-	-	2,00,104	2,16,018	
Measurements of defined employee benefit plans (net of tax)	-	-	-	-	-	2,344	2,344	2,214	
Fair value changes of investments in equity shares	-	-	-	-	-	-	-	-	
Exchange differences on translation into presentation currency	-	-	-	3	-	-	3	12	
Equity dividend and Dividend Distribution Tax	-	-	-	-	-	-	-	-	
Balance as on March 31, 2021	102,415	30,805	17,41,164	206	33	4,499	17,76,707	19,00,188	

Notes 1.1 to 2.44 form an integral part of these financial statements

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

General Reserve:- The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. This represents a free reserve and is available for dividend distributions.

Retained Earnings:- Retained earnings comprises of prior and current year's undistributed earnings after tax.

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No. : 154390

Mumbai

 25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Consolidated Cash Flow Statement for the year ended March 31, 2021

(In ₹ Thousand)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash flow from operating activities		
Profit Before Tax	2,86,401	2,07,471
Non-cash adjustment to Profit Before Tax:		
Depreciation and amortization expense	20,450	17,618
Interest income	(10,291)	(3,626)
Impairment expense of Trade receivable	6,536	2,699
Impairment on non current/current assets	1,000	2,625
Advances to vendors written off	30	-
Liability written back	(132)	(705)
Gain on investment	(373)	(1,256)
Change in fair value of financial assets measured at fair value through profit or loss	(37,626)	(25,933)
Dividend income	(623)	(9,089)
Exchange differences on translation into presentation currency	15	964
Finance costs	4,322	2,484
Other adjustment	-	-
	2,69,709	1,93,252
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	64,740	(1,32,506)
Increase/(decrease) in trade payables	1,27,904	(2,225)
Decrease/(increase) in loans & other financial assets	(6,421)	(70,801)
Decrease/(increase) in other bank balance	(1,52,942)	13,725
Decrease/(increase) in other non-current assets	(916)	1,370
Decrease/(increase) in other current assets	41,468	(35,501)
Increase/(decrease) in other financial Liability	(6,776)	20,779
Increase/(decrease) in other current liabilities	(94,649)	1,60,825
Increase/(decrease) in non-current provisions	522	414
Increase/(decrease) in Provisions	16	(9)
Cash generated from operations	(27,054)	(43,929)
Direct taxes paid (net of refunds)	(74,740)	(38,309)
Net cash flow generated /(used in) operating activities (A)	1,67,915	1,11,014
Cash flow from investing activities		
Purchases of fixed assets, including capital work-in-progress and capital advances	(1,064)	(3,984)
Software Development Cost	(16,153)	(15,131)
Payments for purchase of investments	(4,62,682)	(11,44,499)
Proceeds from sale of investments	6,29,715	8,41,539
Gain on investment	373	1,036
Interest received	2,592	521
Dividends received	-	-
Net cash flow generated/(used in) investing activities (B)	1,52,781	(3,20,518)

Consolidated Cash Flow Statement for the year ended March 31, 2021
(In ₹ Thousand)

Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
Cash flows from financing activities			
Finance Cost		(4,322)	(2,484)
Dividends paid to equity shareholders		-	(60,284)
Net cash flow generated/(used in) in financing activities (C)		(4,322)	(62,768)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)		3,16,374	(2,72,272)
Cash and cash equivalents at the beginning of the year		36,501	3,08,773
Cash and cash equivalents at the end of the year		3,52,875	36,501
Cash and cash equivalents as per note 2.10 to the financial statements			
Balance with Bank		3,52,546	36,137
Cash in hand		329	364
Cheques in hand		-	-
Total		3,52,875	36,501

Notes 1.1 to 2.44 form an integral part of these financial statements

Note:

The Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard (Ind AS)- 7, "Statement of Cash Flows".

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Notes to the Consolidated Financial Statements for the year ended March 31, 2021**1.01 GROUP BACKGROUND:**

ABM Knowledgeware Limited (the 'Company') is a public limited Company incorporated in India under the Companies Act, 1956. The registered office of the Company is located at ABM House, Bandra West, Mumbai, India. The company has its primary listing on the Bombay Stock Exchange (BSE). The Company is one of the few information technology (IT) services companies with exclusive focus on e governance since 1998.

2.01 ABM Knowledgeware Limited along with its subsidiary, InstaSafe Technologies Private Limited and sub subsidiary InstaSafe Inc. (incorporated in USA) (hereinafter referred to as "Group") is engaged in providing activities in e-governance, information security, technology enabled applications through cloud services and other software services.

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Consolidated Financial Statements:**

These Financial Statements are the separate Consolidated Financial Statements of the Group (also called Consolidated Financial Statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (India Accounting Standard) (Amendment) Rules 2016 and other relevant provision of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements. The Consolidated Financial Statements of the Company have been prepared and presented in accordance with Ind AS.

These Consolidated Financial Statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these Consolidated Financial Statements.

b) Use of estimates, assumptions and judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty as at the date of Consolidated Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

c) Principles of consolidation and equity accounting Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between Group companies are

eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

d) Business Combinations:

The Group accounts for Business combinations using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed-off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed-off in this circumstance is measured based on the relative values of the operation disposed-off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest's method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

2.02 Summary of Significant Accounting Policies:

a) Current vs 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:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for purpose of trading.
- Expected to be realized within twelve months after the reporting period.

- Cash and cash equivalents 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 treated as current when it is:

- It is expected to settle in the normal operating cycle.
- It is due to be settled within twelve months after the reporting date.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

b) Revenue

The Group derives its revenues primarily from software development, Software implementation, maintenance of software/ hardware and related services, business process services, Sale of IT and other products and internet security related technology enabled solution software services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

Goods and Service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on service rendered by the seller on behalf of the government. Accordingly, it is initially included and subsequently gets excluded from the gross revenue.

Revenues from software services & projects comprise income from time-and-material and fixed price contracts.

Revenue from time and material contracts is recognized when the services are rendered in accordance with the terms of contracts with clients. Revenue from fixed price contracts is recognized using the percentage-of-completion method (POC method), calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Maintenance revenue is recognized ratable over the period of underlying maintenance agreements.

Revenue from sale of services is shown as net of applicable discounts and pricing incentives to customer.

Revenues from sale of goods is recognized on transfer of significant risks and rewards where it is probable that economic benefits will flow to the Company and there is neither continuing managerial involvement nor effective control over the

goods sold.

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

Accrued revenues are recognised when there is excess of revenue earned over billings on contracts. Accrued revenues are classified as accruals - receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Interest income is recognized as it accrues in the Statement of Profit and Loss using effective interest rate method.

Dividend income is recognized in the Statement of Profit and Loss only when the right to receive the dividend is established, it is probable that the economic benefit associated with the Dividend will flow to the Company, and the amount of the dividend can be reliably measure.

c) Property, Plant and Equipment

Measurement and recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and

tear, the operating conditions of the asset etc. The estimated useful life of items of property, plant and equipment is mentioned below:

(In Year)

Assets	Useful life as per Companies Act, 2013	Useful life estimated by the management
Buildings (Other than factory buildings)	60	30-68
Plant and Equipment	15	05
Furniture and Fixtures	10	10
Office Equipment	5	5
Vehicles	8	8
Servers and Networks		
Computer Equipment	3	3/6
Lease hold improvements	Not applicable	As per the lease term
Purchased Software/ Internally developed for self-consumption	As per Ind AS 38	
Internally developed Software for sale	As per Ind AS 38	

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease. The Group, based on the historical experience & internal technical assessment and management estimate, depreciates certain items of property plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under 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.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

All assets Costing up to Rs 5000/- are expensed out in the year of purchase/use.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

d) Intangible Assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Amortization:

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Assets	Life
Software	1 - 8 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

e) Impairment of Assets:

Carrying Amount of Tangible assets, Intangible assets, Investment in Subsidiaries (which are carried at the cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee:

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

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs such as commissions incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains a lease and non-lease components, the Company applies Ind AS 115-Revenue to allocate the

consideration in the contract.

g) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

h) Financial Instruments

Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial 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 and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortized cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

FVTOCI:

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at cost or at FVTOCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

i) Impairment of Financial Assets:

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition, an amount of reasonable provision is measured and recognized as loss of allowance on the basis of historical experience and internal technical analysis.

Classification and Subsequent measurement: Financial Liabilities

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

j) Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognized in the Statement of Profit and Loss.

k) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

l) Derecognition of Financial Assets and Financial Liabilities:

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Derivatives Financial instruments and hedge accounting

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost.

The Group formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Group's Risk Management objective and strategy. The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value. Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition: On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

m) Fair Value

The Group measures financial instruments at fair value 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 a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated 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 Business

For assets and liabilities that are recognized in the Consolidated 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.

n) Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

o) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

p) Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

q) Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

r) Gratuity and other post-employment benefits

a) Short-term obligations:

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations:

The Group operates the following post-employment schemes:

- Defined benefit plan such as Gratuity and
- Define Contributions plans such as Provident Fund:

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The Gratuity plan for the Holding Company is funded whereas for the Subsidiary Company is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement Profit and Loss as past service cost.

s) Defined contribution plans:

The Group contributes to Employee's State Insurance Corporation and Provident Fund which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Group, the management does not expect any material liability on account of interest shortfall to be borne by the Group. The said contributions are charged to the Statement of Profit and Loss.

t) Other long-term employee benefit obligations:

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

u) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable was based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

v) Cash dividend to equity holders of the Group

The Group recognizes a liability to make cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

w) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets

which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

x) 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.03 Property, plant and equipment

(In ₹ Thousand)

Particulars	Gross Carrying Value						Accumulated depreciation				Net Block	
	As at 1 st April 2020	Additions during the Period	Deletions during the year	Adjustments	Transfers	As at 31 st March 2021	As at 1 st April 2020	Depreciation For the year	Deduction or Adjustment	As at 31 st March 2021	As at 31 st March 2020	
Property, Plant & Equipments												
Computers	3,414	662	-	-	-	4,076	2,725	242	-	2,967	689	
Office Equipments	8,652	93	-	-	-	8,745	5,546	766	-	6,312	3,106	
Furniture	15,567	309	-	-	-	15,876	4,819	1,640	-	6,459	10,748	
Motor Car	11,036	-	-	-	-	11,036	4,706	1,466	-	6,172	6,330	
Office Premises	4,67,792	-	-	-	-	4,67,792	39,973	7,073	-	47,046	4,27,819	
Total	5,06,461	1,064	-	-	-	5,07,525	57,769	11,187	-	68,956	4,48,692	
Intangible Assets												
Computer Software	50,495	16,153	-	-	-	66,648	18,415	9,263	-	27,678	32,080	
Grand Total	5,56,956	17,217	-	-	-	5,74,173	76,184	20,450	-	96,634	4,80,772	
Previous year	5,36,973	19,982	-	-	-	5,56,956	58,566	17,618	-	76,184	4,78,407	
Capital work-in-progress	-	16,153	-	-	16,153	-	-	-	-	-	-	

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

(In ₹ Thousand)

Particulars	Gross Carrying Value						Accumulated depreciation				Net Block	
	As at 1 st April 2019	Additions during the Period	Deletions during the year	Adjustments	Transfers	As at 31 st March 2020	As at 1 st April 2019	Depreciation For the year	Deduction or Adjustment	As at 31 st March 2020	As at 31 st March 2019	
Property, Plant & Equipments												
Computers	3,030	384	-	-	-	3,414	2,259	466	-	689	771	
Office Equipments	8,199	453	-	-	-	8,652	4,774	772	-	3,106	3,425	
Furniture	13,559	2,008	-	-	-	15,567	3,261	1,558	-	10,748	10,299	
Motor Car	11,036	-	-	-	-	11,036	3,236	1,470	-	6,330	7,800	
Office Premises	4,67,792	-	-	-	-	4,67,792	32,880	7,093	-	4,27,819	4,34,913	
Total	5,03,617	2,845	-	-	-	5,06,461	46,410	11,359	-	4,48,692	4,57,207	
Intangible Assets												
Computers Software	33,356	17,137	-	-	-	50,495	12,156	6,259	-	32,080	21,200	
Grand Total	5,36,973	19,982	-	-	-	5,56,956	58,566	17,618	-	4,80,772	4,78,407	
Previous year	5,07,281	30,605	915	-	-	5,36,973	42,165	17,257	857	4,78,407	4,65,116	
Capital work-in-progress	867	16,257	-	-	17,124	-	-	-	-	-	867	

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.04 Non-current investments
(In ₹ Thousand)

Particulars	Face Value	As at 31 st March, 2021		As at 31 st March, 2020	
		No	Amount	No	Amount
Investment in equity instruments Quoted Investments measured at Fair value through Profit and Loss Yes Bank Limited	2	5,000	78	-	-
Unquoted Investment in Alternative Investment Fund (AIF) Cornerstone Venture Partners Fund - I	-	-	10,000	-	-
Total Non-current Investments	-	-	10,078	-	-
Aggregate books value of quoted Investments			78		
Aggregate market value of investments designated at FVTOCI			-		
Aggregate amount of unquoted investments			10,000		

Note 2.05 Non Current Loans
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Security Deposits Unsecured, considered good	2,459	2,574
Total Non Current Loans	2,459	2,574

Note 2.06 Others non current financial assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deposits with bank - with maturity period of more than 12 months *	32,739	23,228
Total others non current financial assets	32,739	23,228

*Amount held as margin money or security against Bank Guarantee ₹ 32,627 and Previous year ₹ 23,123.

Note 2.07 Other Non Current Assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Advances other than capital advance		
Security/margin deposit	2,227	2,227
Employee benefit assets	4,985	2,608
Prepaid expenses	72	155
	7,284	4,990
Advance to other Parties		
Unsecured, considered good	-	-
Unsecured, considered doubtful	10,500	10,500
Less: Provision for doubtful advance	(10,500)	(10,500)
	-	-
Total other non-current assets	7,284	4,990

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.08 Current Investment
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Investment in mutual funds		
Quoted		
Investments carried at fair value through the statement of profit and loss		
(i) Nil Units of Canara Rebeco - Capital Protection Fund - Series 8 (March 2020: 2,50,000 units)	-	2,910
(ii) 1,00,000 Units of Canara Rebeco - Capital Protection Fund - Series 9 (March 2020: 1,00,000 units)	1,246	1,121
(iii) 42,02,209 Units of Canara Rebeco Savings Fund - Regular Growth (March 2020: 9,830,064 units)	1,39,085	3,08,557
(iv) 10,76,376 Units of Canara Rebeco Savings Fund - Regular Plan-Dividend reinvestment (March 2020: 10,24,988 units)	11,044	10,516
(v) 29,043 units of Baroda Ultra Short Duration Fund - Direct plan-Regular Growth Dividend reinvestment (March 2020: 1,25,366 units)	34,904	143,857
(vi) 1,707 units of Canara Robeco Liquid - Regular Daily Dividend Plan (March 2020: 1,658 units)	1,716	1,667
(vii) 1,00,000 Units of Canara Rebeco - Capital Protection Fund - Series 10 (March 2020: 1,00,000 units)	1,229	1,053
(viii) 31,14,363 Units of Canara Rebeco short duration Fund - Regular growth plan (March 2020: 13,30,999 units)	63,175	25,191
(ix) 2,66,127 Units of ICICI Prudential Savings Fund - Regular growth plan (March 2020: 2,66,127 units)	1,10,710	1,02,988
(x) 17,94,854 Units of IDFC Low Duration Fund - Regular growth plan (March 2020: 17,94,854 units)	54,284	51,274
(xi) 26,540 Units of Kotak Money Market Fund - Regular growth plan (March 2020: 26,540 units)	92,012	87,590
(xii) 11,001 Units of Axis Banking & PSU Debt Fund - Regular growth plan (March 2020: 11,001 units)	22,656	21,028
(xiii) 8,68,377 Units of IDFC Banking and PSU Debt Fund- Regular growth plan (March 2020: 8,68,377)	16,703	15,408
(xiv) 88,439 Units of ABSL Banking & PSU Debt Fund - Regular Growth (March 2020: Nil units)	25,050	-
(xv) 19,99,900 Units of Baroda Banking & PSU Bond Fund - Regular Growth (March 2020: Nil units)	20,034	-
(xvi) 5,67,556 Units of ICICI Prudential Equity Arbitrage Fund - Regular Growth (March 2020: Nil units)	15,211	-
(xvii) 5,96,783 Units of IDFC Arbitrage Fund - Regular Growth (March 2020: Nil units)	15,203	-
Investment in Debentures		
Quoted		
Investments carried at fair value through the statement of profit and loss		
10 units of Mahindra & Mahindra Financial Services Limited - Secured redeemable Principal protected Non-Convertible Market linked debentures (March 2020: Nil units)	10,108	
Total	6,34,370	7,73,160
Aggregate books value of quoted Investments	6,34,370	7,73,160
Aggregate market value of investments designated at FVTPL	6,34,377	7,73,160
Aggregate amount of unquoted investments	-	-

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.09 Trade Receivable
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	1,83,041	3,22,596
Trade receivable which have significant increase in credit risk	93,823	19,044
Less: Allowance for doubtful debts (expected credit loss)	(12,579)	(6,079)
Trade receivable - credit impaired	-	-
Total trade receivable	2,64,285	3,35,561

Note 2.10 Cash and cash equivalents
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Balances with Banks		
(i) In current accounts #	3,52,494	35,023
(ii) Deposits with original maturity less than 3 months	52	1,114
Cash in hand	329	364
Cheques in hand	-	-
Total cash and cash equivalents	3,52,875	36,501

The current accounts are in form of bank overdrafts which are payable on demand and are secured by:-

(a) Hypothecation of book debts of the company.

(b) Collateral:

- i) EMT of Office premises at Swastik Chambers, Office No.514 and 515, 5th floor, Umarshi Bappa Chowk, Chembur, Mumbai-400071 standing in the name of the company.
- ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Society Ltd, Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai-400025 standing in the name of the company.
- iii) EMT of Office Premises at ABM House, Unit No. 801, Eighth Floor, Plot no. 268, Linking Road, Bandra West, Mumbai-400050 standing in the name of the company.
- iv) Three Fixed deposits in Canara Bank amounting to ₹ 313 thousand representing maturity value of 3 LIC policies which were earlier hypothecated to the bank.
- v) 5 KDR's having face value of ₹ 2.60 lac in the personal names of directors Mr. Prakash Rane
- vi) Personal Guarantees from director – Mr. Prakash B. Rane

Note 2.11 Bank balances other than cash and cash equivalents
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Earmarked balances in unclaimed dividend account	3,237	4,616
Fixed Deposits with maturity period of more than 3 months but less than 12 months *	1,92,539	30,519
Total bank balances other than cash and cash equivalents	1,95,776	35,135

* Amount held as margin money or security against Bank Guarantee ₹ 88,415 and Previous year ₹ 30,412.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.12 Current Loans
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Security deposits		
Unsecured, considered good	16,525	20,700
Significant increase in credit risk	1,638	638
	18,163	21,338
Less: Provision for doubtful deposits	(1,638)	(638)
	16,525	20,700
Loans and advances to employees		
Unsecured, considered good	523	481
	523	481
Other loans and advances		
Unsecured, considered good	1,097	428
	1,097	428
Total current loans	18,145	21,609

Note 2.13 Other financial assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Accruals - receivables	63,061	62,573
Total others financial assets	63,061	62,573

Note 2.14 Current Tax Assets (Net)
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Tax Provision	56,487	63,080
Less: Tax Paid	67,943	77,101
Total current tax assets	11,456	14,021

Note 2.15 Other Current Assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Prepaid Expenses	5,921	5,001
Project under Process(WIP)		
Unsecured, considered good	90,390	1,55,197
Unsecured, considered doubtful	7,514	7,514
Less: Provision for doubtful WIP	(7,514)	(7,514)
	90,390	1,55,197
Advance to vendors	1,675	2,529
Balances with statutory / revenue authorities		
- Goods & Service Tax	29,017	5,649
Others	1,467	1,591
Total other current assets	1 28,469	1,69,967

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

Amounts in ₹ thousand, except for per equity share data and number of shares are stated in absolute figures.

Note 2.16 Equity Share capital

(In ₹ Thousand)

Particulars	As at 31 st March,			
	2021		2020	
	Number	Amount	Number	Amount
Authorised Share Capital Equity Shares of ₹ 5/- each at par with voting rights	2,50,00,000	1,25,000	2,50,00,000	1,25,000
Issued Equity Shares of ₹ 5/- each at par with voting rights	2,07,00,000	1,03,500	2,07,00,000	1,03,500
Subscribed & Fully Paid up Equity Shares of ₹ 5/- each at par with voting rights	2,00,02,200	1,00,011	2,00,02,200	1,00,011
Subscribed but not fully Paid up	Nil	Nil	Nil	Nil
Forfeited Shares (amount originally paid-up) Equity Shares of ₹ 5/- each at par with voting rights	6,97,800	2,404	6,97,800	2,404
Total	2,07,00,000	1,02,415	2,07,00,000	1,02,415

Note 2.16(i) Reconciliation of the number of shares outstanding and the amount of share capital as at the March 31, 2021 and as at March 31, 2020 as set out below.

(In ₹ Thousand)

Equity shares	As at 31 st March,			
	2021		2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,07,00,000	1,02,415	2,07,00,000	1,02,415
Add:- Issued during the year	-	-	-	-
Less:- Forfeited during the year	-	-	-	-
Outstanding at the end of the year	2,07,00,000	1,02,415	2,07,00,000	1,02,415

Note 2.16(ii) Details of Shares held by each shareholder holding more than 5% shares

(In ₹ Thousand)

Name of Shareholder	As at 31 st March,			
	2021		2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Prakash Baburao Rane	95,42,300	47.71	95,42,300	47.71
Supriya Prakash Rane	24,54,000	12.27	24,54,000	12.27
Lipsita Projects and services Private Limited	13,81,500	6.91	-	-
Total	1,33,77,800	66.88	1,19,96,300	59.98

Note 2.16(iii) Details of Shares forfeited

(In ₹ Thousand)

Class of shares	As at 31 st March,			
	2021		2020	
	No. of Shares	Amount paid up	No. of Shares	Amount paid up
Equity Shares with voting rights	6,97,800	2,404	6,97,800	2,404
Total	6,97,800	2,404	6,97,800	2,404

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.16 (iv) Rights, preferences and restrictions attached to equity shares

The Company has a only one class of share referred as Equity shares having par value of ₹ 5 per share. Each Shareholder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the company after distribution of all preferential amounts in proportion to number of shares held.

Note 2.17 Other Equity
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
General reserve	30,805	30,805
Retained earning	17,45,902	15,43,451
Total Other Equity	17,76,707	15,74,256

Note 2.18 Deferred Tax Liabilities (net)
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deferred income tax asset		
Deductible Expenditure		
Provision for doubtful financial asset	(5,881)	(4,068)
Deferred income tax liability		
Taxable temporary difference		
Depreciation adjustment as per Books and Income Tax	76,599	75,064
Net Deferred Tax Liability	70,719	70,996

Note 2.18 (a) Movement in gross deferred tax liability/asset
(In ₹ Thousand)

Particulars	Opening	Recognised in Profit and Loss	Closing Balance
2020-2021			
Deferred Tax Liability/Asset in Relation to			
Unabsorbed depreciation as per Income tax	75,064	1,535	76,599
Provision for doubtful financial asset	(4,068)	(1,813)	(5,881)
Total	70,996	(277)	70,719
2019-2020			
Deferred Tax Liability/Asset in Relation to			
Unabsorbed depreciation as per Income tax	84,214	(9,150)	75,064
Provision for doubtful financial asset	(4,091)	23	(4,068)
Total	80,123	(9,127)	70,996

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

Note 2.18 (b) The analysis of deferred tax asset and deferred tax liability

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deferred Tax Asset:		
Deferred Tax Asset to be recovered after more than 12 Month	(5,881)	(4,068)
Deferred Tax Asset to be recovered within 12 Month	-	-
	(5,881)	(4,068)
Deferred Tax Liability:		
Deferred Tax Liability to be recovered after more than 12 Month	76,599	75,064
Deferred Tax Liability to be recovered within 12 Month	-	-
Total	75,599	75,064

Note 2.18 (c) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Accounting Profit	2,86,401	2,07,471
Tax at the domestic rate	73,915	48,340
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	(1,520)	(1,802)
Other than temporary differences	(7,834)	(5,725)
Adjustments for current tax of prior periods	-	1,593
Income tax effect on OCI	-	-
Current tax on short term capital gain on sale of units of mutual fund	6,059	5,885
Current tax on long term capital gain on sale of units of mutual fund	40	52
Tax Expense	70,660	48,343

Note 2.19 Provisions

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Provision for employee benefit	2,289	1,603
Total Provisions	2,289	1,603

Note 2.20 Other non-current liabilities

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Provision for disputed liability	2,227	2,227
Total Other non-current liabilities	2,227	2,227

Note 2.21 Trade payables

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,35,800	7,993
Total Trade Payables	1,35,800	7,993

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.22 Other financial liabilities
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Salary Payable	4,105	4,853
Unpaid Dividend	3,237	4,616
Outstanding expenses	26,071	30,685
Total Other financial liabilities	33,413	40,154

Note: 2.23 Other current liabilities
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Statutory remittances	32,254	23,463
Unearned revenue		
Balance as on 1 April 2020	1,71,919	7,578
Less: Revenue recognised	(1,55,198)	(7,578)
Add: Contract Liability	51,985	1,71,919
Balance as on 31 March 2021	68,706	1,71,919
Creditors for capital goods	-	6
Excess realisation from debtor	558	779
Total Other current liabilities	1,01,518	1,96,167

Note 2.24 Provisions
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Provision for employee benefit	57	40
Total Provisions	57	40

Note 2.25 Revenue from Operations
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Income from sale of products and services	10,23,428	8,48,995
Less: GST recovered	1,30,151	1,22,157
Total revenue from operation	8,93,277	7,26,838

Note 2.26 Other Incomes
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Income related to financial assets		
Interest on bank deposit	10,291	3,626
Dividend income	623	9,089
Gain on Sale of Investment	-	221
Interest on income tax refund	384	898
Miscellaneous income	666	4,082
Gain on Foreign currency Translation	-	-
Other non - operating income		
Fair value gain of investment through Profit and Loss account (FVTPL)	37,626	25,933
Total other income	49,590	43,849

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.27 Employee Benefit Expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Salaries and wages	2,65,032	2,37,320
Contribution to provident and other funds	16,634	15,882
Staff welfare Expenses	7,197	6,082
Total Employee Benefit Expenses	2,88,863	2,59,284

Note 2.28 Finance Cost
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Other borrowing cost		
1) Bank Limit charges	1,482	354
2) Bank Guarantee Charges	2,840	2,130
Total finance cost	4,322	2,484

Note 2.29 Depreciation and amortisation expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Depreciation and amortisation Expenses	20,450	17,618
Total depreciation and amortisation expenses	20,450	17,618

Note 2.30 Impairment Losses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Impairment loss allowance on trade receivable and Work-in-Progress (WIP)	6,500	1,503
Impairment loss allowance on other financial assets	1,000	2,625
Total impairment losses	7,500	4,128

Note 2.31 (i) Other Expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Rates and taxes	2,906	4,938
Repairs and maintenance	2,985	2,045
Consultancy Charges	-	285
Data centre expenses	1,185	376
SMS charges	1,899	230
Electricity charges	1,606	2,955
Legal and professional fees	24,475	10,667
Printing and stationery	517	1,181
Membership and subscription	1,223	1,138
Communication expenses	3,252	2,228
Advertising and Business Promotion Expenses	4,929	6,739
Corporate social responsibility contributions	4,551	5,144
Software related expenses	31	240
Website hosting/domain renewals	173	52
Bank charges	428	349
Insurance expenses	610	670
Foreign exchange loss/(gain)	1,809	3
Other expenses	22,915	9,356
Total Other Expenses	75,494	48,596

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

Note 2.31 (ii) Payment to auditors
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Auditors of the company Components of audit fees Service as statutory auditor (including limited review)	1,035	925
Total Payment to Auditors	1,035	925

Note 2.32 Tax expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(a) Income tax expenses :		
Current tax		
Current tax on profit for the year	70,660	46,750
Current tax expense pertaining to prior year	-	1,593
	70,660	48,343
Deferred tax		
Deferred tax expense for the current year	(277)	(9,127)
Total income tax expense recognised in current year	70,383	39,216

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(c) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss		
Profit from continuing operations before income tax expense	2,86,401	2,07,471
Profit from discontinuing operations before income tax expense	-	-
Tax at the domestic rate of 25.17% in 2020, (29.12% in 2019)	73,915	48,340
Tax expense of Foreign subsidiary Instasafe Inc.	-	-
Adjustments for current tax of prior periods	-	1,593
Current tax on short term capital gain on sale of units of mutual fund	6,059	5,885
Current tax on long term capital gain on sale of units of mutual fund	40	-
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	(1,520)	(1,802)
Expenses provided but allowable in Income Tax on payment/writeoff(net) Other than temporary differences	(7,834)	(5,725)
Income tax effect on OCI	-	-
Income tax expense	70,660	48,292

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.33 Contingent Liabilities and commitments (to the extent not provided for): (In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(i) Contingent liabilities:		
(a) Bank guarantees [Refer Note 2.33 (i)]	2,71,451	1,19,607
(b) Service taxes [Refer Note 2.33 (ii)]	1,144	1,144
(c) Income taxes [Refer Note 2.33 (iii)]	3,886	3,886
(ii) Capital Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Office interior	-	-
(b) Other Commitments	-	-

Note 2.33 (i)

The Overdrafts and Bank Gaurantee facility availed by the Company are payable on demand and are secured by:-

- (a) Hypothecation of book debts of the company.
- (b) Collateral:

- i) EMT of Office premises at Swastik Chambers, Office No.514 and 515, 5th floor, Umarshi Bappa Chowk, Chembur, Mumbai - 400071 Standing in the name of the company.
- ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Soc. Ltd., Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 standing in the name of the company.
- iii) EMT of Office Premises at ABM House, Unit No. 801, Eighth Floor, Plot no. 268, Linking Road, Bandra West, Mumbai-400050 standing in the name of the company.
- iv) Three fixed deposits in Canara bank amounting to ₹ 313 thousand representing maturity value of 3 LIC Policies which were earlier hypothecated to the bank.
- v) 5 KDR's having face value of ₹ 260 thousand in the personal names of director Mr. Prakash B. Rane.
- vi) Personal Guarantees from directors – Mr. Prakash B. Rane.

Note 2.33 (ii)

The service tax amount shown of ₹1,144 thousand pertains to the show cause notices received by the company for disallowances of cenvat credit for the F.Y. 2014-15 to 2017-18. The Company is in process of contesting or filing appeals in respect of the aforesaid disputed matters before the authorities. The management is hopeful that matters will be decided in favour of the Company.

Note 2.33 (iii)

For Assessment Year 2016 - 2017, the subsidiary InsataSafe Technologies Private Limited has received assessment order u/s 143(3) of the Income Tax Act, dated 18th December 2018, raising a tax demand of ₹ 38,85,541. The Company has already contested the demand at the appropriate Appellate Forum and the Management feels that the outcome of the appeal will be in the company's favour in as much as the grounds on which the additions made to the income are applicable to many start-ups.

Note 2.34

During the Financial year 2020-21, an additional amount of ₹16,153 thousand has been recognised as an Intangible asset on fulfilment of the recognition criteria during the financial year 2020-21.

The useful life of the intangible asset is estimated to be 5 years and overall amortisation has been worked out accordingly.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.35 Earnings Per Share (EPS)
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Net profit after tax attributable to equity shareholders for Basic EPS	2,02,451	1,57,759
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	2,02,451	1,57,759
Weighted average no. of equity shares (in thousand) outstanding during the year		
For basic EPS	20,002	20,002
For diluted EPS	20,002	20,002
Face Value per Equity Share (₹)	5	5
Basic EPS (₹)	10.12	7.89
Diluted EPS (₹)	10.12	7.89
Reconciliation between no. of shares (in thousand) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	20,002	20,002
Add: Potential equity shares	-	-
No. of shares used for calculating Diluted EPS	20,002	20,002

Note 2.36 Employee Benefits
A) Defined contribution plans

Provident fund:

The company operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expense recognised in the statement of profit and loss of ₹ 11,697 thousand (for the year ended March 31, 2020: ₹11,366 thousand) represents contributions payable to Provident fund by the Company at rates specified in rules of the plans.

B) Defined Benefit plans:-
Movement in plan assets and Plan liabilities:-
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Amount recognised in the statement of Profit and Loss		
Current service cost	4,125	3,674
Finance cost/(income)	(181)	(172)
Past service cost	-	-
Total expense recognised in the Statement of profit /loss	3,944	3,502
Amount recognised in Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognised for the period	(2,495)	(1,498)
Return on plan assets excluding net interest	281	297
Total actuarial (gain)/loss recognised in Other Comprehensive Income (OCI)	(2,214)	(1,202)

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Changes in present value of obligation		
Present value of obligation at the beginning	19,417	18,328
Add: Opening Liability of Instasafe on Bussiness Combination	-	-
Interest cost	1,237	1,309
Current service cost	4,125	3,674
Past service cost	-	-
Benefits paid	(2,456)	(2,395)
Actuarial (Gains)/Losses on present value of obligation	(2,495)	(1,498)
Present value of obligation at the end	19,828	19,417
Changes in present value of planned assets		
Fair value at the beginning	20,382	19,585
Return on plan assets	(281)	(297)
Interest income	1,418	1,481
Contributions	3,404	2,007
Benefits paid	(2,456)	(2,395)
Fair Value at the end of the year	22,467	20,382

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Compostion of the plan assets is as follow		
Equity instruments	9.68%	5.55%
Debt instruments		
Government bonds	67.56%	74.55%
Corporate bonds/debentures	18.74%	17.28%
Asset backed securities	-	0.85%
Cash and cash equivalents	4.02%	1.77%
	100.00%	100.00%
Actuarial assumptions		
Financial assumptions	6.79%	6.80%
Discount rate	4%	4%
Salary Escalation	7.59%	7.59%
Expected return on plan assets	2%	2%
Attrition		
Demographic assumptions	IALM (2006-08)	IALM (2006-08)
Mortality rate	Ultimate	Ultimate

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

C) The defined benefit obligations shall mature after year end 31st March, 2021 as follows:

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
First year	760	1,882
Second year	548	516
Third year	714	553
Fourth year	4,222	710
Fifth year	584	4,116
Sixth to Ten year	5,888	5,108

Sensitivity analysis:

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

(In ₹ Thousand)

Particulars	ABM Knowledgware Limited		InstaSafe Technologies Private Limited	
	As at 31 st March,		As at 31 st March,	
	2021	2020	2021	2020
Discount rate increase by 100 basis Points	15,795	16,116	2,071	1,446
Discount rate decrease by 100 basis Points	19,478	19,735	2,669	1,877
Salary Escalation rate increase by 100 basis points	19,395	19,630	2,620	1,876
Salary Escalation rate decrease by 100 basis points	15,852	16,195	2,068	1,443

Note: 2.37 Related party disclosure

(A) Name of related parties and description of relationship

(i) Key Management Personnel (KMPS):

Mr. Prakash Baburao Rane, Managing Director
 Mr. Paresh Golatkar, Chief Financial Officer
 Mrs. Sarika Ghanekar, Company Secretary

(ii) Non-Executive Directors

Mrs. Supriya Prakash Rane
 Mr. Sharadchandra Abhyankar
 Mr. Sumit Dutta Chowdhary
 Mr. Devendra Kamalakar Parulekar
 Mr. Ashokkumar Vitthal Dugade (appointed w.e.f. 1st April 2020)
 Mr. Punit Kumar Jain (appointed w.e.f. 4th September 2020)

(iii) Enterprises over which directors and relatives of such personnel exercise significant influence:

Khaitan & Company LLP, Mumbai
 Lipsita Projects & Services Private Limited
 Gaia Smart Cities Solutions Private Limited
 Saffron Studios Private Limited

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
(B) Transactions with related parties

Nature of Transactions	As at 31 st March,	
	2021	2020
Purchase of material / services:		
Khaitan & Company LLP	600	-
Gaia Smart Cities Solutions Private Limited	-	-
Blue Star Software Limited	-	-
Saffron Studios Private Limited	-	-
Key Management Personnel		
Remuneration	19,738	18,555
Other long term benefit	1,657	1,561
Dividend		
Mr. Prakash Rane	-	23,856
Mrs. Supriya Rane	-	6,135
Lipsita Projects & Services Private Limited	-	2,454
Sitting Fees		
Mrs. Supriya Rane	220	56
Mr. Sharadchandra Abhyankar	320	72
Mr. Sumit Dutta Chowdhary	240	60
Mr. Devendra Kamalakar Parulekar	280	76
Mr. Ashok Dugade	100	-
Mr. Punit Jain	60	-

(C) Outstanding

Mrs. Supriya Rane	-	4
Mr. Sharadchandra Abhyankar	-	4
Mr. Sumit Dutta Chowdhary	-	4
Mr. Devendra Kamalakar Parulekar	-	4

Note 2.38 Capital Management
Risk management

The group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)
divided by

Total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

(In ₹ Thousand)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Net debt	-	-
Total equity	19,00,188	16,81,941
Net debt to equity ratio	Nil	Nil

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.39 Financial Instruments
(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non assets and liabilities. 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. A fair value measurement assumes 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 a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy Based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability

March 31, 2021

Particulars	Carrying Value	Classification		Amortised Cost	Fair Value		
		FVTPL	FVTOCI		Level 1	Level 2	Level 3
Financial assets							
Long Term Loans	2,459	-	-	2,459			
Trade Receivables	2,64,285	-	-	2,64,285			
Cash & Cash equivalents	3,52,875	-	-	3,52,875			
Other Bank Balances	1,95,776	-	-	1,95,776			
Short term Loans	18,145	-	-	18,145			
Other financial assets	95,801	-	-	95,801			
Investments	6,44,448	6,44,448	-	-	6,44,448		
	15,73,788	6,44,448	-	9,29,340	6,44,448	-	-
Financial Liabilities							
Borrowings	-			-			
Trade payables	1,35,800			1,35,800			
Other financial liabilities	33,413			33,413			
	1,69,213	-	-	1,69,213	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

March 31, 2020

(In ₹ Thousand)

Particulars	Carrying Value	Classification		Amortised Cost	Fair Value		
		FVTPL	FVTOCI		Level 1	Level 2	Level 3
Financial assets							
Long Term Loans	2,574	-	-	2,574	-	-	-
Trade Receivables	3,35,561	-	-	3,35,561	-	-	-
Cash & Cash equivalents	36,501	-	-	36,501	-	-	-
Other Bank Balances	35,135	-	-	35,135	-	-	-
Short term Loans	21,609	-	-	21,609	-	-	-
Other financial assets	85,801	-	-	85,801	-	-	-
Investments	7,73,160	7,73,160	-	-	7,73,160	-	-
	12,90,340	7,73,160	-	5,17,180	7,73,160	-	-
Financial Liabilities							
Trade payables	7,993	-	-	7,993	-	-	-
Other financial liabilities	40,154	-	-	40,154	-	-	-
	48,147	-	-	48,147	-	-	-

Financial Risk Management

The board of director has overall responsibility for the establishment & oversight of the company's risk management framework. The Board of director has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changed market conditions and the company's activities. The audit committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The audit committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Note No 2.40 Additional Information required by Schedule III

2020-21

(In ₹ Thousand)

Name of the entity in the group	Net assets (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	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
ABM Knowledgeware Ltd	98.60%	18,72,845	90.70%	1,95,936	106.68%	-2,373	90.86%	1,98,309
Subsidiaries								
InstaSafe Technologies Pvt. Ltd.	0.29%	5,538	1.94%	4,184	-1.39%	31	1.90%	4,153
Non Controlling Interest in the Subsidiary								
Indian InstaSafe Technologies Pvt. Ltd.	1.11%	21,066	7.37%	15,914	-5.29%	118	7.24%	15,797
	100%	18,99,449	100%	2,16,034	100%	(2,225)	100%	2,18,259

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
2019-20 (In ₹ Thousand)

Name of the entity in the group	Net assets (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	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent ABM Knowledgeware Ltd	99.60%	16,74,536	91.02%	1,53,149	59.28%	-1,284	90.62%	1,54,432
Subsidiaries (group's share) InstaSafe Technologies Pvt. Ltd.	0.08%	1,385	1.87%	3,144	8.48%	-184	1.95%	3,328
Non Controlling Interest in the Subsidiary Indian InstaSafe Technologies Pvt. Ltd.	0.31%	5,270	7.11%	11,963	32.25%	-698	7.43%	12,661
	100%	16,81,191	100%	1,68,256	100%	(2,166)	100%	1,70,422

Note 2.41 Details of Corporate Social Responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a company meeting applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, and rural development projects. A CSR committee has been formed by the company as per the act and the CSR funds are used in the areas mentioned above to some extent.

(In ₹ Thousand)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Amount required to be spent as per Section 135 of the Act for the year	4,515	5,131
Shortfall of previous year/s (if any)	-	-
Total amount required to be spent for the year	4,515	5,131
Amount spent during the year	4,551	5,144
Excess/(short) amount spent	36	13

Note 2.42

The Company's business activity falls within a single business segment i.e. software and services and hence no additional disclosure other than those already made in the financial statements are required under Accounting Standard 108, "Operating Segments". The Company at present, operates in India only and therefore analysis of geographical segment is not applicable.

Note 2.43

Balance of sundry Creditors, Debtors, Loans & Advances and Deposits are subject to confirmation and reconciliation if any. For the year, letters for confirmation of balances have been sent to various parties by the Company which have not been responded to. The Management however, does not expect any material changes therein. The balances are as per records available with the company.

Note 2.44

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****ABM KNOWLEDGEWARE LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying Standalone financial statements of **ABM KNOWLEDGEWARE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our reports.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matter
01	<p>Revenue recognition (refer to the summary of significant accounting policies in point 2.02 (b) and the disclosures in note 2.23 of the standalone financial statements)</p> <p>The company derives significant portion of its revenue from long-term projects. Estimation of efforts is a critical estimate to determine revenues for contract. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date, efforts required to complete the remaining contract performance obligations. Some of the contracts have complex terms and conditions requiring management analysis, judgement, and application of guidance for appropriate recognition of revenue and the corresponding balances of accounts receivables, unbilled revenues, and deferred revenues. In consideration of certain key judgements and principles used for recognition of revenue we have identified this matter to be a key audit matter.</p>	<p>We have performed walkthrough and understood the process and tested key controls associated with the revenue recognition process.</p> <p>We made enquiries of management and analysed contracts on sample basis to evaluate whether revenue was recognized in accordance with their terms and conditions. We have:</p> <ol style="list-style-type: none"> 1. Assessed the Company's accounting policies relating to revenue recognition. 2. Checked the revenue recognition from contracts by reading the supporting documents including inspection of contracts / statement of work purchase orders from customers and documents evidencing delivery, on a test check basis; 3. Checked, pre and post year end, sample of revenue recognized and agreed with the supporting documents. 4. Checked the Standalone Ind AS financial statement disclosures in this regard.
02	<p>Receivable from Government customers (refer to disclosures in note 2.09 of the standalone financial statements)</p> <p>The gross balance of trade receivables as at March 31, 2021 amounted to ₹ 2,516.45/- Lakhs, which comprises of ₹ 2,488.81/- Lakhs receivable from Government customers.</p> <p>The assessment of the recoverability of the receivables from the Government Customers, requires management to make judgements and estimates to assess the certainty regarding the recoverability from Government Customer. Accordingly, this has been identified as a key audit matter.</p>	<p>We evaluated the Company's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers.</p> <ol style="list-style-type: none"> 1. Our audit procedures include: We evaluated management's continuous assessment of the assumptions used in the recoverability assessment. These considerations include whether there are regular receipts from the customers, past collection history as well as an assessment of the customers' credit ability to make repayments. 2. We have checked the subsequent collection made from the Government debtors and discussed with management the reasons of any long outstanding amounts and correspondences with the customers. 3. We have checked the calculation of delay risk under expected credit loss model 4. Evaluated the standalone financial statement disclosure in this regard.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, for example Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this our auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance.

Management's Responsibilities 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the standalone financial statement that, individually or in aggregate, makes it probable that the economic decision of the reasonably knowledgeable user of the of the financial statement may be influenced. We considered quantitative materiality and qualitative factor in (i) planning the scope of our audit work and in evaluating the result of our work, and (ii) evaluate the effects of any identified misstatement in the financial statements.

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

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

From the matter communicated with those charge with governance, we determine those matters that were of most significance in audit of standalone financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulation preclude public disclosure about the matters or when, in extremely rare circumstances, we determine that the matters should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the

matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s Internal Financial Controls over the financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 2.31 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amount, required to be transferred to the Investor Education and Protection Fund by the Company.

**For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W**

**Sd/-
Deepak Kumar Jain
Partner
(M.No. 154390)**

UDIN: 21154390AAAAEP7522

Date: 25th June, 2021

Place: Mumbai

ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **ABM KNOWLEDGEWARE LIMITED**)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended March 31, 2021 we report that:

i. Property, Plant and Equipment

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a program of verification to cover all the item of fixed assets in a phased manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. Pursuant to program, certain fixed assets were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The Company is in the business of providing software services and does not have a physical inventory Accordingly reporting under clause 3 (ii) of the order is not applicable to the company.

iii. The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the Section 185 and 186 of the Act, with Respect to the loans, securities, guarantee, and investment made.

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

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act,2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

vii. Statutory Dues

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, goods and service tax, duty of customs and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, employees' state insurance, goods and service tax, duty of customs and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of duty of customs, goods and service tax

and Income tax which have not been deposited with the appropriate authorities on account of any dispute.

- viii. The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution, further according to the information and explanation given to us the company has not taken any loan from government during the year, also the company did not have any outstanding debentures during the year.
- ix. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations give to us, the Company has paid provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the Section 177 and 188 of the Act where applicable and the detail transactions with the related parties have been disclosed in the Standalone financial statements as required by applicable Indian Accounting Standard.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- xvi. According to the information and explanations provided to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Date: 25th June, 2021

Place: Mumbai

**For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W**

**Sd/-
Deepak Kumar Jain
Partner
(M.No. 154390)**

UDIN: 21154390AAAAEP7522

ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **ABM KNOWLEDGEWARE LIMITED** of even date)

Report on the Internal Financial Controls Over Financial Reporting with reference to the aforesaid Standalone Financial Statements under 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 ABM KNOWLEDGEWARE LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Borkar & Muzumdar
Chartered Accountants
Firm Reg. No. 101569W**

**Sd/-
Deepak Kumar Jain
Partner
(M.No. 154390)
UDIN: 21154390AAAAEP7522**

**Date: 25th June, 2021
Place: Mumbai**

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(In ₹ Thousand)

Particulars	Note	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
1. Non-Current Assets			
a) Property, plant and equipment	2.03	4,37,885	4,48,574
b) Capital work-in-progress	2.03	-	-
c) Intangible assets	2.03	1,356	1,767
d) Financial assets			
i) Investment	2.04	84,260	76,729
ii) Loans	2.05	14,862	13,818
iii) Other Financial assets	2.06	32,739	23,123
e) Income tax assets (Net)		12,699	6,054
f) Other Non-Current Assets	2.07	7,284	4,990
Total non-current assets		5,91,085	5,75,055
2. Current assets			
a) Financial assets			
i) Investments	2.08	6,33,873	7,69,299
ii) Trade receivables	2.09	2,39,066	3,13,733
iii) Cash and cash equivalents	2.10	3,26,266	19,312
iv) Bank balances other than cash and cash equivalents	2.11	1,95,776	35,135
v) Loans	2.12	17,959	21,593
vi) Other Financial assets	2.13	63,061	62,573
b) Current tax asset (Net)	2.14	7,578	9,301
c) Other current assets	2.15	1,28,013	1,69,621
Total current assets		16,11,592	14,00,567
TOTAL ASSETS		22,02,677	19,75,622
EQUITY AND LIABILITIES			
1. EQUITY			
a) Equity share capital	2.16	1,02,415	1,02,415
b) Other equity	2.17	17,70,420	15,72,121
Total equity		18,72,835	16,74,536
2. LIABILITIES			
Non-current liabilities			
a) Deferred tax liabilities (Net)	2.18	70,197	70,490
b) Other non-current liabilities	2.19	2,227	2,227
Total non-current liabilities		72,424	72,717
Current liabilities			
a) Financial liabilities			
i) Trade payables			
a) Trade payables- outstanding dues to micro and small enterprises	2.20	-	-
b) Trade payables- outstanding dues to other than micro and small enterprises	2.20	1,34,989	6,329
ii) Other financial liabilities	2.21	29,144	28,505
b) Other current liabilities	2.22	93,285	1,93,535
Total current liabilities		2,57,418	2,28,369
TOTAL EQUITY AND LIABILITIES		22,02,677	19,75,622

Notes 1.1 to 2.40 form an integral part of these financial statements

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021
(In ₹ Thousand)

Particulars	Note	Year ended 31 st March, 2021	Year ended 31 st March, 2020
1. Income			
a) Revenue From Operations	2.23	7,36,538	6,02,702
b) Other Income	2.24	50,237	42,231
Total Income		7,86,775	6,44,933
2. Expenses:			
a) Operating expense		1,96,562	1,43,435
b) Employee benefits expense	2.25	2,52,784	2,43,497
c) Finance costs	2.26	4,322	2,484
d) Depreciation and amortisation expense	2.27	11,510	11,527
e) Rent expenses		3,306	3,466
f) Travelling and conveyance expenses		4,929	5,602
g) Impairment losses	2.28	7,500	4,128
h) Other expenses	2.29	47,264	38,724
Total Expenses		5,28,177	4,52,863
3. Profit before exceptional items and tax (1-2)		2,58,598	1,92,070
4. Exceptional Item		-	-
5. Profit before tax (3-4)		2,58,598	1,92,070
6. Tax expense	2.30		
a) Current tax		62,970	48,343
b) Deferred tax		(293)	(9,421)
7. Profit for the year (5-6)		1,95,921	1,53,148
8. Other comprehensive income (OCI)			
Items that will not to be reclassified to profit or loss			
Measurements of defined employee benefit plans	2.33	(2,378)	(1,284)
Income tax effect on the above	2.30	-	-
Total Other Comprehensive Income (OCI) net of Tax		(2,378)	(1,284)
9. Total comprehensive income for the year (7+8)		1,98,299	1,54,432
10. Earnings per equity share of ₹ 5 each			
a) Basic (₹)	2.32	9.91	7.72
b) Diluted (₹)	2.32	9.91	7.72

Notes 1.1 to 2.40 form an integral part of these financial statements

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Standalone Statement of Changes in Equity for the year ended 31st March 2021

(In ₹ Thousand)

Particulars	Equity Share Capital	Other Equity				Total
		Reserve and Surplus		Items of OCI		
		General Reserve	Retained Earnings	Equity instrument through OCI	Other items of OCI	
As at 1 April, 2019	1,02,415	30,805	14,46,294	33	841	14,77,973
Profit for the year	-	-	1,53,148	-	-	1,53,148
Measurements of defined employee benefit plans (net of tax)	-	-	-	-	1,284	1,284
Fair value changes of investments in equity shares	-	-	-	-	-	-
Equity dividend and Dividend Distribution Tax	-	-	(60,284)	-	-	(60,284)
Balance as on March 31, 2020	1,02,415	30,805	15,39,158	33	2,125	15,72,121
As at 1 April, 2020	1,02,415	30,805	15,39,158	33	2,125	15,72,121
Profit for the year	-	-	1,95,921	-	-	1,95,921
Measurements of defined employee benefit plans (net of tax)	-	-	-	-	2,378	2,378
Fair value changes of investments in equity shares	-	-	-	-	-	-
Equity dividend and Dividend Distribution Tax	-	-	-	-	-	-
Balance as on March 31, 2021	1,02,415	30,805	17,35,079	33	4,503	17,70,420

Notes 1.1 to 2.40 form an integral part of these financial statements

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve

General Reserve:- The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. This represents a free reserve and is available for dividend distributions.

Retained Earnings:- Retained earnings comprises of prior and current year's undistributed earnings after tax.

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

 25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director
(DIN : 00152393)

Sharadchandra D. Abhyankar - Director
(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(In ₹ Thousand)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Cash flow from operating activities		
Profit Before Tax	2,58,598	1,92,070
Non-cash Adjustment to Profit Before Tax:		
Depreciation and amortization expense	11,510	11,527
Interest income	(10,054)	(3,535)
Interest Income on Preference shares accounted at FVTPL	(1,159)	(1,054)
Impairment expense of Trade receivable	6,500	1,503
Impairment on non current/current assets	1,000	2,625
Advances to vendors written off	30	-
Liability written back	(35)	(59)
Gain on investment	(373)	(1,035)
Fair valuation loss on preference shares	2,547	2,547
Change in fair value of financial assets measured at fair value through profit or loss	(37,491)	(25,413)
Dividend income	(623)	(9,089)
Finance costs	4,322	2,484
Other adjustment	-	-
	2,34,772	1,72,571
Change in operating assets and liabilities :		
Decrease/(increase) in trade receivables	68,167	(1,20,265)
Increase/(decrease) in trade payables	1,28,625	(2,814)
Decrease/(increase) in loans & other financial assets	(6,355)	(70,934)
Decrease/(increase) in other bank balance	(1,52,942)	13,725
Decrease/(increase) in other non-current assets	(916)	1,370
Decrease/(increase) in other current assets	41,578	(35,690)
Increase/(decrease) in other financial Liability	638	12,127
Increase/(decrease) in other current liabilities	(1,00,250)	1,65,790
Increase/(decrease) in other non-current liabilities	-	-
	(21,455)	(36,691)
Cash generated from operations		
Direct taxes paid (net of refunds)	(67,893)	(35,096)
Prior Period Adjustment	-	-
Net cash flow generated /(used in) operating activities (A)	1,45,424	1,00,784
Cash flow from investing activities		
Purchases of fixed assets, including capital work-in-progress and capital advances	(409)	(3,914)
Payments for purchase of investments	(4,62,682)	(11,44,499)
Proceeds from sale of investments	6,26,215	8,27,110
Gain on investment	373	1,035
Interest received	2,355	430
Dividends received	-	-
Net cash flow generated / (used in) investing activities (B)	1,65,852	(3,19,837)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(In ₹ Thousand)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Cash flows from financing activities		
Finance Cost	(4,322)	(2,484)
Dividends paid to equity shareholders	-	(60,284)
Net cash flow generated/(used in) in financing activities (C)	(4,322)	(62,768)
Net increase/(decrease) in cash and cash equivalents (A+B+ C)	3,06,954	(2,81,821)
Cash and cash equivalents at the beginning of the year	19,312	3,01,133
Cash and cash equivalents at the end of the year	3,26,266	19,312
Cash and cash equivalents as per note 2.10 to the financial statements		
Balance with Bank	3,25,937	18,948
Cash on hand	329	364
Cheques in hand	-	-
Total	3,26,266	19,312

Notes 1.1 to 2.40 form an integral part of these financial statements

Note:

The Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard (Ind AS)-7, "Statement of Cash Flows"

As per our report of even date
For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W
Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

 25th June, 2021

For and on behalf of the Board of Directors
Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021**Notes to the Standalone Financial Statements for the year ended March 31, 2021****1.01 COMPANY BACKGROUND:**

ABM Knowledgeware Limited (the 'Company') is a Public Limited Company incorporated in India under the Companies Act, 1956. The registered office of the Company is located at ABM House, Bandra West, Mumbai, India. The company has its primary listing on the Bombay Stock Exchange (BSE). The Company is one of the few information technology (IT) services companies with exclusive focus on e-governance since 1998.

2.01 SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**SIGNIFICANT ACCOUNTING POLICIES:****a. Basis of Preparation of Financial Statements:**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provision of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The standalone financial statements of the Company have been prepared and presented in accordance with Ind AS.

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these standalone financial statements.

b) Use of estimates, assumptions and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty as at the date of standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of the following:

2.02 Summary of Significant Accounting Policies:**a) Current vs non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for purpose of trading.

- Expected to be realized within twelve months after the reporting period.
- Cash and cash equivalents 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 treated as current when it is:

- It is expected to settle in the normal operating cycle.
- It is due to be settled within twelve months after the reporting date.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Advance tax paid is classified as non-current assets.

b. Revenue

The Company derives its revenues primarily from software development, Software implementation, maintenance of software/ hardware and related services, business process services, Sale of IT and other products.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Goods and Service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on service rendered by the seller on behalf of the government. Accordingly, it is initially included and subsequently gets excluded from the gross revenue.

Revenues from software services & projects comprise income from time-and-material and fixed price contracts.

Revenue from time and material contracts is recognized when the services are rendered in accordance with the terms of contracts with clients. Revenue from fixed price contracts is recognized using the percentage-of-completion method (POC method), calculated as the proportion of the cost of effort incurred up to the reporting date to estimated cost of total effort. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Maintenance revenue is recognized ratable over the period of underlying maintenance agreements.

Revenue from sale of services is shown as net of applicable discounts and pricing incentives to customer.

Revenues from sale of goods is recognized on transfer of significant risks and rewards where it is probable that economic benefits will flow to the Company and there is neither continuing managerial involvement nor effective control over the goods sold.

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

Accrued revenues are recognised when there is excess of revenue earned over billings on contracts. Accrued revenues are classified as accruals - receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Interest income is recognized as it accrues in the Statement of Profit and Loss using effective interest rate method.

Dividend income is recognized in the Statement of Profit and Loss only when the right to receive the dividend is established, it is probable that the economic benefit associated with the Dividend will flow to the Company, and the amount of the dividend can be reliably measure

c. Property, Plant and Equipment

Measurement and recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset etc. The estimated useful life of items of property, plant and equipment is mentioned below:

(In Years)

Assets	Useful life as per Companies Act, 2013	Useful life estimated by the management
Buildings (Other than factory buildings)	60	30-68
Plant and Equipment	15	05
Furniture and Fixtures	10	10
Office Equipment	5	5
Vehicles	8	8
Servers and Networks		
Computer Equipment	3	3/6
Lease hold improvements	Not applicable	As per the lease term
Purchased Software/ Internally developed for self-consumption	As per Ind AS 38	
Internally developed Software for sale	As per Ind AS 38	

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease. The Company, based on the historical experience & internal technical assessment and management estimate, depreciates certain items of property plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under 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.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

All assets Costing up to Rs 5000/- are expensed out in the year of purchase/use.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Intangible Assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Amortization:

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Assets	Life
Software	1 - 8 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in

an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

d. Impairment of Assets:

Carrying Amount of Tangible assets, Intangible assets, Investment in Subsidiaries (which are carried at the cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e. Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee

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

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease

commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs such as commissions incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains a lease and non-lease components, the Company applies Ind AS 115-Revenue to allocate the consideration in the contract.

f. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

g. Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial 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 and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets.

The Company classifies financial assets as subsequently measured at amortized cost, fair value through Other Comprehensive Income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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.

FVTOCI:

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at cost or at FVTOCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

h. Impairment of Financial Assets:

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition, an amount of reasonable provision is measured and recognized as loss of allowance on the basis of historical experience and internal technical analysis.

Classification and Subsequent measurement: Financial Liabilities

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

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities:

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

i. Investment in Subsidiaries:

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

The Company's investments in its Subsidiary and is accounted at cost.

j. Derivatives Financial instruments and hedge accounting

The Company enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognized financial liabilities ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy. The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of fair value hedge:

Hedging instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit and Loss. Hedging instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting date is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value. Hedged item (recognized financial liability) is initially recognized at fair value on the date of entering into contractual obligation and is subsequently measured at amortized cost. The hedging gain or loss on the hedged item is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effect is recognized in the Statement of Profit and Loss.

Derecognition: On Derecognition of the hedged item, the unamortized fair value of the hedging instrument adjusted to the hedged item, is recognized in the Statement of Profit and Loss.

k. Fair Value

The Company measures financial instruments at fair value 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 a principal market, in the most advantageous market for the 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 Business

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company 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.

I. Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

m. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are

expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

n. Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

o. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

p. Gratuity and other post-employment benefits

a) Short-term obligations:

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Post-employment obligations:

The Company operates the following post-employment schemes:

- Defined benefit plan such Gratuity and
- Define Contributions plans such as Provident Fund:

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement Profit and Loss as past service cost.

q. Defined contribution plans:

The Company contributes to Employee's State Insurance Corporation, Provident Fund which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Company, the management does not expect any material liability on account of interest shortfall to be borne by the Company. The said contributions are charged to the Statement of Profit and Loss.

r. Other long-term employee benefit obligations:

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

s. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable was based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

t. Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a

liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

u. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

v. 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

w. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

**Significant accounting policies and other explanatory information as at
and for the year ended March 31, 2021**

Note 2.03 Property, Plant and Equipment

(In ₹ Thousand)

Particulars	Gross Carrying Value						Accumulated depreciation				Net Block	
	As at 1 st April 2020	Additions during the Period	Deletions during the year	Adjust- ments	Transfers	As at 31 st March 2021	As at 1 st April 2020	Depreciation For the year	Deduction or Adjustment	As at 31 st March 2021	As at 31 st March 2020	
Property, Plant & Equipments												
Computers	2,562	48	-	-	-	2,610	1,949	179	-	2,128	613	
Office Equipments	8,530	52	-	-	-	8,582	5,465	740	-	6,205	3,065	
Furniture	15,567	309	-	-	-	15,876	4,819	1,640	-	6,459	10,748	
Motor Car	11,036	-	-	-	-	11,036	4,706	1,466	-	6,172	6,330	
Office Premises	4,67,792	-	-	-	-	4,67,792	39,974	7,073	-	47,047	4,27,818	
Total	5,05,487	409	-	-	-	5,05,896	56,913	11,099	-	68,011	4,48,574	
Intangible Assets												
Computer Software	11,635	-	-	-	-	11,635	9,868	411	-	10,279	1,767	
Grand Total	5,17,122	409	-	-	-	5,17,531	66,781	11,510	-	78,290	4,50,341	
Previous year	5,12,342	4,781	-	-	-	5,17,124	55,252	11,528	-	66,781	4,57,090	
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	

**Significant accounting policies and other explanatory information as at
and for the year ended March 31, 2021**

(In ₹ Thousand)

Particulars	Gross Carrying Value						Accumulated depreciation				Net Block	
	As at 1 st April 2019	Additions during the Period	Deletions during the year	Adjust- ments	Transfers	As at 31 st March 2020	As at 1 st April 2019	Depreciation For the year	Deduction or Adjustment	As at 31 st March 2020	As at 31 st March 2019	
Property, Plant & Equipments												
Computers	2,248	314	-	-	-	2,562	1,607	342	-	1,949	642	
Office Equipments	8,077	453	-	-	-	8,530	4,717	748	-	5,465	3,361	
Furniture	13,559	2,008	-	-	-	15,567	3,261	1,558	-	4,819	10,299	
Motor Car	11,036	-	-	-	-	11,036	3,236	1,470	-	4,706	7,800	
Office Premises	4,67,792	-	-	-	-	4,67,792	32,881	7,093	-	39,974	4,34,912	
Total	5,02,714	2,775	-	-	-	5,05,487	45,701	11,211	-	56,913	4,48,574	
Intangible Assets												
Computer Software	9,629	2,006	-	-	-	11,635	9,551	317	-	9,868	78	
Grand Total	5,12,342	4,781	-	-	-	5,17,122	55,252	11,528	-	66,781	4,57,091	
Previous year	5,06,378	6,878	915	-	-	5,12,341	41,723	14,386	857	55,252	4,64,655	
Capital work-in-progress	867	1,126	-	-	1,993	-	-	-	-	-	867	

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

Note 2.04 Non-Current Investments

(In ₹ Thousand)

Particulars	Face Value	As at 31 st March			
		2021		2020	
		No	Amount	No	Amount
Investment in equity instruments					
Quoted					
Investments measured at Fair value through profit and loss					
Yes Bank Limited	2	5,000	78	-	-
Unquoted					
Investment in Subsidiary					
Instasafe Technologies Private Limited	10	25,225	32,793	25,225	32,793
Investments in preference shares					
Unquoted					
Investments measured at Fair value through profit and loss					
Compulsory Convertible preference shares of Instasafe Technologies Private Limited	170	71,259	41,389	71,259	43,936
Investment in Alternative Investment Fund (AIF)					
Unquoted					
Cornerstone Venture Partners Fund - I	-	-	10,000	-	-
Total Non-current Investments			84,260	-	76,729
Aggregate books value of quoted Investments			78		-
Aggregate market value of investments designated at FVTOCI			-		-
Aggregate amount of unquoted investments			84,182		76,729

Note 2.05 Non Current Loans

(In ₹ Thousand)

Particulars	As at 31 st March	
	2021	2020
Security Deposits		
Unsecured, considered good	2,112	2,227
Loans to related party		
Loan to Subsidiary Company		
Secured, considered good	-	-
Unsecured, considered good	12,750	11,591
Loan to related party which have significant increase in credit risk	-	-
Loan to related party-credit impaired	-	-
Total Non Current Loans	14,862	13,818

Note 2.06 Other Non Current Financial Assets

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deposits with bank		
- with maturity period of more than 12 months *	32,739	23,123
Total other non current financial assets	32,739	23,123

* Amount held as margin money or security against Bank Guarantee ₹ 32,627 and Previous year ₹ 23,123.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.07 Other Non Current Assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Advances other than capital advance		
Security/margin deposit	2,227	2,227
Employee benefit assets	4,985	2,608
Prepaid expenses	72	155
	7,284	4,990
Advances to other parties		
Unsecured, considered good	-	-
Unsecured, considered doubtful	10,500	10,500
Less: Provision for doubtful advance	(10,500)	(10,500)
	-	-
Total	7,284	4,990

Note 2.08 Current Investment
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Investment in mutual funds		
Quoted		
Investments carried at fair value through the statement of profit and loss		
(i) Nil Units of Canara Rebeco - Capital Protection Fund - Series 8 (March 2020: 2,50,000 units)	-	2,910
(ii) 1,00,000 Units of Canara Rebeco - Capital Protection Fund - Series 9 (March 2020: 1,00,000 units)	1,246	1,121
(iii) 41,87,210 Units of Canara Rebeco Savings Fund - Regular Growth (March 2020: 97,07,050 units)	1,38,588	3,04,696
(iv) 10,76,376 Units of Canara Rebeco Savings Fund - Regular Plan-Dividend reinvestment (March 2020: 10,24,988 units)	11,044	10,516
(v) 29,043 units of Baroda Ultra Short Duration Fund - Direct plan-Regular Growth Dividend reinvestment (March 2020: 1,25,366 units)	34,904	1,43,857
(vi) 1,707 units of Canara Robeco Liquid - Regular Daily Dividend Plan (March 2020: 1,658 units)	1,716	1,667
(vii) 1,00,000 Units of Canara Rebeco - Capital Protection Fund - Series 10 (March 2020: 1,00,000 units)	1,229	1,053
(viii) 31,14,363 Units of Canara Rebeco short duration Fund - Regular growth plan (March 2020: 13,30,999 units)	63,175	25,191
(ix) 2,66,127 Units of ICICI Prudential Savings Fund - Regular growth plan (March 2020: 2,66,127 units)	1,10,710	1,02,988
(x) 17,94,854 Units of IDFC Low Duration Fund - Regular growth plan (March 2020: 17,94,854 units)	54,284	51,274
(xi) 26,540 Units of Kotak Money Market Fund - Regular growth plan (March 2020: 26,540 units)	92,012	87,590
(xii) 11,001 Units of Axis Banking & PSU Debt Fund - Regular growth plan (March 2020: 11,001 units)	22,656	21,028
(xiii) 8,68,377 Units of IDFC Banking and PSU Debt Fund- Regular growth plan (March 2020: 8,68,377)	16,703	15,408
(xiv) 88,439 Units of ABSL Banking & PSU Debt Fund - Regular Growth (March 2020: Nil units)	25,050	-
(xv) 19,99,900 Units of Baroda Banking & PSU Bond Fund - Regular Growth (March 2020: Nil units)	20,034	-
(xvi) 5,67,556 Units of ICICI Prudential Equity Arbitrage Fund - Regular Growth (March 2020: Nil units)	15,211	-
(xvii) 5,96,783 Units of IDFC Arbitrage Fund - Regular Growth (March 2020: Nil units)	15,203	-

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Investment in Debentures		
Quoted		
Investments carried at fair value through the statement of profit and loss		
10 units of Mahindra & Mahindra Financial Services Limited - Secured redeemable Principal protected Non-Convertible Market linked debentures (March 2020: Nil units)	10,108	-
Total Current Investments	6,33,873	7,69,299
Aggregate books value of quoted Investments	6,33,873	7,69,299
Aggregate market value of investments designated at FVTPL	6,33,873	7,69,299
Aggregate amount of unquoted investments	-	-

Note 2.09 Trade Receivable

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Trade receivable		
Secured, considered good	-	-
Unsecured, considered good	1,57,822	3,00,768
Trade receivable which have significant increase in credit risk	93,823	19,044
Less: Allowance for doubtful debts (expected credit loss)	(12,579)	(6,079)
Trade receivable - credit impaired	-	-
Total trade receivables	2,39,066	3,13,733

Note 2.10 Cash and Cash Equivalents

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Balances with Banks		
(i) In current accounts #	3,25,937	18,948
(ii) Deposits with original maturity less than 3 months	-	-
Cash in hand	329	364
Total cash and cash equivalents	3,26,266	19,312

The current accounts are in form of bank overdrafts which are payable on demand and are secured by:-

(a) Hypothecation of book debts of the company.

(b) Collateral:

- i) EMT of Office premises at Swastik Chambers, Office No.514 and 515, 5th floor, Umarshi Bappa Chowk, Chembur, Mumbai - 400071 standing in the name of the company.
- ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Society Ltd, Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 standing in the name of the company.
- iii) EMT of Office Premises at ABM House, Unit No. 801, Eighth Floor, Plot no. 268, Linking Road, Bandra West, Mumbai - 400050 standing in the name of the company.
- iv) Three Fixed deposits in Canara Bank amounting to ₹ 313 thousand representing maturity value of 3 LIC policies which were earlier hypothecated to the bank.
- v) 5 KDR's having face value of ₹ 2.60 lac in the personal names of directors Mr. Prakash B. Rane
- vi) Personal Guarantees from director – Mr. Prakash B. Rane

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.11 Bank Balances other than cash and cash equivalents
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Earmarked balances in unclaimed dividend account	3,237	4,616
Fixed Deposits with maturity period of more than 3 months but less than 12 months *	1,92,539	30,519
Total bank balances other than cash and cash equivalents	1,95,776	35,135

* Amount held as margin money or security against Bank Guarantee ₹ 88,415 and Previous year ₹ 30,412.

Note 2.12 Current Loans
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Security deposits		
Unsecured, considered good	16,525	20,700
Significant increase in credit risk	1,638	638
	18,163	21,338
Less: Provision for doubtful deposits	(1,638)	(638)
	16,525	20,700
Loans and advances to employees		
Unsecured, considered good	382	473
	382	473
Other loans and advances		
Unsecured, considered good	1,052	421
	1,052	421
Total current loans	17,959	21,593

Note 2.13 Others financial assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Accruals - receivables	63,061	62,573
Total others financial assets	63,061	62,573

Note 2.14 Current tax assets (Net)
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Tax provision	48,796	63,080
Less: tax paid	56,374	72,381
Total current tax assets	7,578	9,301

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.15 Other Current Assets
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Prepaid Expenses	5,464	4,656
Project under Process(WIP)		
Unsecured, considered good	90,390	1,55,197
Unsecured, considered doubtful	7,514	7,514
Less: Provision for doubtful WIP	(7,514)	(7,514)
	90,390	1,55,197
Advance to vendors	1,675	2,529
Balances with statutory / revenue authorities		
- Goods & Service Tax	29,017	5,649
Others	1,467	1,591
Total other current assets	1,28,013	1,69,621

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021

Amounts in ₹ thousand, except for per equity share data and number of shares are stated in absolute figures.

Note 2.16 Equity share capital

(In ₹ Thousand)

Particulars	As at 31 st March,			
	2021		2020	
	Number	Amount	Number	Amount
Authorised Share Capital Equity Shares of ₹ 5/- each at par with voting rights	2,50,00,000	1,25,000	2,50,00,000	1,25,000
Issued Equity Shares of ₹ 5/- each at par with voting rights	2,07,00,000	1,03,500	2,07,00,000	1,03,500
Subscribed & Fully Paid up Equity Shares of ₹ 5/- each at par with voting rights	2,00,02,200	1,00,011	2,00,02,200	1,00,011
Subscribed but not fully Paid up	Nil	Nil	Nil	Nil
Forfeited Shares (amount originally partly paid-up) Equity Shares of ₹ 5/- each at par with voting rights	6,97,800	2,404	6,97,800	2,404
Total	2,07,00,000	1,02,415	2,07,00,000	1,02,415

Note 2.16(i) Reconciliation of the number of shares outstanding and the amount of share capital as at the March 31, 2021 and as at March 31, 2020 as set out below.

(In ₹ Thousand)

Equity shares	As at 31 st March,			
	2021		2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,07,00,000	1,02,415	2,07,00,000	1,02,415
Add:- Issued during the year	-	-	-	-
Less:- Forfeited during the year	-	-	-	-
Outstanding at the end of the year	2,07,00,000	1,02,415	2,07,00,000	1,02,415

Note 2.16 (ii) Details of Shares held by each shareholder holding more than 5% shares

(In ₹ Thousand)

Name of Shareholder	As at 31 st March,			
	2021		2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Prakash Baburao Rane	95,42,300	47.71	95,42,300	47.71
Supriya Prakash Rane	24,54,000	12.27	24,54,000	12.27
Lipsita Projects & Services Private Limited	13,81,500	6.91	-	-
Total	1,33,77,800	66.88	1,19,96,300	59.98

Note 2.16(iii) Details of Shares forfeited

(In ₹ Thousand)

Class of shares	As at 31 st March,			
	2021		2020	
	No. of Shares	Amount paid up	No. of Shares	Amount paid up
Equity Shares with voting rights	6,97,800	2,404	6,97,800	2,404
Total	6,97,800	2,404	6,97,800	2,404

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.16 (iv) Rights, preferences and restrictions attached to Equity shares

The Company has a only one class of share referred as Equity shares having par value of ₹ 5 per share. Each Shareholder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the company after distribution of all preferential amounts in proportion to number of shares held.

Note 2.17 Other Equity (In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
General reserve	30,805	30,805
Retained earning	17,39,614	15,41,316
Total Other Equity	17,70,420	15,72,121

Note 2.18 Deferred tax liabilities (Net) (In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deferred income tax asset		
Deductible Expenditure		
Provision for doubtful financial assets	(5,290)	(3,654)
Deferred income tax liability		
Taxable temporary difference		
Depreciation adjustment as per Books and Income Tax	75,487	74,144
Net Deferred Tax Liability	70,197	70,490

Note 2.18(a) Movement in gross deferred tax liability/asset (In ₹ Thousand)

Particulars	Opening	Recognised in Profit and Loss	Closing Balance
2020-2021			
Deferred Tax Liability/Asset in Relation to			
Unabsorbed depreciation as per Income tax	74,144	1,343	75,487
Provision for doubtful financial assets	(3,654)	(1,636)	(5,290)
Total	70,490	(293)	70,197
2019-2020			
Deferred Tax Liability/Asset in Relation to			
Unabsorbed depreciation as per Income tax	83,701	(9,557)	74,144
Expenses allowed on provision for doubtful debts	(3,791)	136	(3,654)
Total	79,910	(9,421)	70,490

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.18(b) The analysis of deferred tax asset and deferred tax liability

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Deferred Tax Asset:		
Deferred tax asset to be recovered after more than 12 Month	(5,290)	(3,654)
Deferred tax asset to be recovered within 12 Month	-	-
	(5,290)	(3,654)
Deferred Tax Liability:		
Deferred tax liability to be recovered after more than 12 Month	75,487	74,144
Deferred tax liability to be recovered within 12 Month	-	-
	75,487	74,144

Note 2.18(c) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Accounting Profit	2,58,598	1,92,070
Tax at the domestic rate of 25.17%	65,084	48,340
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	(1,319)	(1,802)
Other than temporary differences	(6,723)	(5,725)
Adjustments for current tax of prior periods	-	1,593
Income tax effect on OCI	-	-
Current tax on short term capital gain on sale of units of mutual fund	5,888	5,885
Current tax on long term capital gain on sale of units of mutual fund	40	52
Tax Expense	62,970	48,344

Note 2.19 Other non-current liabilities

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Provision for Disputed Liability	2,227	2,227
Total other non-current liabilities	2,227	2,227

Note 2.20 Trade payables

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,34,989	6,329
Total Trade payables	1,34,989	6,329

Note 2.21 Other financial liabilities

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Salary Payable	3,332	1,751
Unclaimed Dividend	3,237	4,616
Outstanding expenses	22,575	22,138
Total Other financial liabilities	29,144	28,505

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.22 Other current liabilities
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Statutory remittances	24,595	20,832
Unearned revenue	68,132	1,71,919
Creditors for capital goods	-	6
Excess realisation from debtor	558	779
Total Other current liabilities	93,285	1,93,535

Note 2.23 Revenue from operations
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Income from sale of products and Services	8,60,283	7,19,792
Less: GST recovered	1,23,745	1,17,090
Total Revenue from operation	7,36,538	6,02,702

Note 2.24 Other Incomes
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Income related to financial assets		
Interest on bank deposit	10,054	3,535
Dividend income	623	9,089
Interest Income on Preference shares accounted at FVTPL	1,159	1,054
Interest on income tax refund	344	794
Miscellaneous income	566	2,346
Other non - operating income		
Fair value of investment through Profit and Loss account (FVTPL)	37,491	25,413
Total other incomes	50,237	42,231

Note 2.25 Employee benefit expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Salaries and wages	2,29,435	2,23,009
Contribution to provident and other funds	15,753	15,476
Staff welfare Expenses	7,596	5,012
Total employee benefit expenses	2,52,784	2,43,497

Note 2.26 Finance cost
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Other borrowing cost		
1) Bank limit charges	1,482	354
2) Bank guarantee charges	2,840	2,130
Total finance cost	4,322	2,484

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.27 Depreciation and amortisation expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Depreciation and amortisation expenses	11,510	11,527
Total depreciation and amortisation expenses	11,510	11,527

Note 2.28 Impairment Losses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Impairment loss allowance on trade receivable and work - in - progress (WIP)	6,500	1,503
Impairment loss allowance on other financial assets	1,000	2,625
Total impairment losses	7,500	4,128

Note 2.29 (i) Other expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Rates and taxes	2,669	4,829
Repairs and maintenance	2,985	1,968
Electricity charges	1,606	2,955
Legal and professional fees	11,045	6,613
Printing and stationery	457	1,115
Membership and subscription	1,223	1,138
Telephone expenses	1,244	1,267
Advertising and business promotion expenses	3,240	2,859
Corporate social responsibility contributions	4,551	5,144
Bank charges	366	102
Insurance expenses	610	670
Other expenses	13,771	6,667
Total other expenses	43,767	35,327

Note 2.29 (ii) Payment to auditors
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Auditors of the company Service as statutory auditor (including limited review)	950	850
Total payment to auditors	950	850

Note 2.29 (iii) Net gains / losses on fair value changes
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Net loss on fair value changes on other financial instrument classified as FVTPL	2,547	2,547
Total	2,547	2,547

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.30 Tax expenses
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(a) Income tax expenses :		
Current tax		
Current tax on profit for the year	62,970	46,750
Current tax expense pertaining to prior year	-	1,593
	62,970	48,343
Deferred tax		
Deferred tax expense for the current year	(293)	(9,421)
	(293)	(9,421)
Total income tax expense recognised in current year	62,677	38,922
(b) Income tax recognised in other comprehensive income		
Remeasurement of the defined benefit plans	-	-
	-	-

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(c) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss		
Profit from continuing operations before income tax expense	2,58,598	1,92,070
Profit from discontinuing operations before income tax expense	-	-
Tax at the Indian tax rate of 22% (effective tax rate - 25.17%)	65,084	48,340
Adjustments for current tax of prior periods	-	1,593
Current tax on short term capital gain on sale of units of mutual fund	5,888	5,885
Current tax on long term capital gain on sale of units of mutual fund	40	52
Difference between WDV of Property Plant and equipment including Intangibles as per books and Income taxes	(1,319)	(1,802)
Expenses provided but allowable in Income Tax on payment/writeoff (net)		
Other than temporary differences	(6,723)	(5,725)
Income tax effect on OCI	-	-
Income tax expense	62,970	48,343

Note 2.31 Contingent Liabilities and commitments (to the extend not provided for):
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
(i) Contingent liabilities:		
(a) Bank Gurantees [Refer Note 2.31 (i)]	2,71,451	1,19,607
(b) Service Taxes [Refer Note 2.31(ii)]	1,144	1,144
(ii) Capital Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Office interior	-	-
(b) Other Commitments	-	-
(iii) Investment in the shares of InstaSafe Technologies Pvt. Ltd.	40,000	40,000
[Refer note 2.31 (iii)]		

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021**Note 2.31 (i)**

The Overdrafts and Bank Gaurantee facility availed by the Company are payable on demand and are secured by:-

- (a) Hypothecation of book debts of the company.
- (b) Collateral:

- i) EMT of Office premises at Swastik Chambers, Office No.514 and 515, 5th floor, Umarshi Bappa Chowk, Chembur, Mumbai - 400071 Standing in the name of the company.
- ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Soc. Ltd, Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 standing in the name of the company.
- iii) EMT of Office Premises at ABM House, Unit No. 801, Eighth Floor, Plot no. 268, Linking Road, Bandra West, Mumbai-400050 standing in the name of the company.
- iv) Three fixed deposits in Canara bank amounting to ₹ 313 thousand representing maturity value of 3 LIC Policies which were earlier hypothecated to the bank.
- v) 5 KDR's having face value of ₹ 260 thousand in the personal names of director Mr. Prakash B. Rane.
- (vi) Personal Guarantees from directors – Mr. Prakash B. Rane.

Note 2.31 (ii)

The service tax amount shown of ₹ 1,144 thousand pertains to the show cause notices received by the company for disallowances of cenvat credit for the F.Y. 2014-15 to 2017-18. The Company is in process of contesting or filing appeals in respect of the aforesaid disputed matters before the authorities. The management is hopeful that matters will be decided in favour of the Company.

Note 2.31 (iii)

The Company at a Board Meeting held on 23rd January, 2017 approved a strategic investment in InstaSafe Technologies Private Limited ("Instasafe"). Instasafe Provides innovative cloud based security-as-a-service solutions. ABM has executed definitive agreements including Share Purchase Agreement and Share Subscription & Shareholders' Agreement. The transactions will be completed subject to satisfactory fulfillment of certain conditions precedent. The aggregate investment would be upto INR 13.32 crore. As of 31st March, 2021 the Company completed an aggregate investment of ₹ 9.32 Cr in Instasafe Technologies Pvt Limited. Pursuant to the rights conferred on ABM under the Shareholder's agreement and nomination of two Non-executive Directors on the Board of Directors of Instasafe, the said Company has become a subsidiary of the Company.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.32 Earnings per share (EPS)
(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Net profit after tax attributable to equity shareholders for Basic EPS	1,98,299	1,54,432
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	1,98,299	1,54,432
Weighted average no. of equity shares (in thousand) outstanding during the year		
For basic EPS	20,002	20,002
For diluted EPS	20,002	20,002
Face Value per Equity Share (₹)	5	5
Basic EPS (₹)	9.91	7.72
Diluted EPS (₹)	9.91	7.72
Reconciliation between no. of shares (in thousand) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	20,002	20,002
Add: Potential equity shares	-	-
No. of shares used for calculating Diluted EPS	20,002	20,002

Note 2.33 Employee Benefits
A) Defined contribution plans

Provident fund:

The company operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expense recognised in the statement of profit and loss of ₹11,354 thousand (for the year ended March 31, 2020: ₹ 11,366 thousand) represents contributions payable to Provident fund by the Company at rates specified in rules of the plans.

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
**B) Defined Benefit plans:-
Movement in plan assets and Plan liabilities:-**

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Amount recognised in the statement of Profit and Loss		
Current service cost	3,698	3,356
Finance cost/(income)	(293)	(261)
Past service cost	-	-
Total expense recognised in the Statement of profit /loss	3,405	3,095
Amount recognised in Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognised for the period	(2,659)	(1,581)
Return on plan assets excluding net interest	281	297
Total actuarial (gain)/loss recognised in Other Comprehensive Income (OCI)	(2,378)	(1,284)
Changes in present value of obligation		
Present value of obligation at the beginning	17,774	17,173
Interest cost	1,125	1,221
Current service cost	3,698	3,356
Past service cost	-	-
Benefits paid	(2,456)	(2,395)
Actuarial (Gains)/Losses on present value of obligation	(2,659)	(1,581)
Present value of obligation at the end	17,482	17,774
Changes in present value of planned assets		
Fair value at the beginning	20,382	19,585
Return on plan assets	(281)	(297)
Interest income	1,418	1,481
Contributions	3,404	2,007
Benefits paid	(2,456)	(2,395)
Fair Value at the end of the year	22,467	20,381
Compostion of the plan assets is as follow		
Equity instruments	9.68%	5.55%
Debt instruments		
Government bonds	67.56%	74.55%
Corporate bonds/debentures	18.74%	17.28%
Asset backed securities	-	0.85%
Cash and cash equivalents	4.02%	1.77%
	100%	100%
Actuarial assumptions		
Financial assumptions		
Discount rate	6.79%	6.80%
Salary Escalation	4%	4%
Expected return on plan assets	7.59%	7.59%
Attrition	2%	2%
Demographic assumptions	IALM (2006-08)	IALM (2006-08)
Mortality rate	Ultimate	Ultimate

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
C) The defined benefit obligations shall mature after year end 31st March, 2021 as follows:
(In ₹ Thousand)

Year	As at 31 st March,	
	2021	2020
First year	704	1,841
Second year	487	473
Third year	649	505
Fourth year	4,150	660
Fifth year	507	4,061
Sixth to Ten year	5,352	4,720

Sensitivity analysis:

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Discount rate increase by 100 basis Points	15,795	16,116
Discount rate decrease by 100 basis Points	19,478	19,735
Salary Escalation rate increase by 100 basis points	19,395	19,630
Salary Escalation rate decrease by 100 basis points	15,852	16,195

Note: 2.34 Related party disclosure
(A) Name of related parties and description of relationship
(i) Key Management Personnel (KMPs):

Mr. Prakash Baburao Rane, Managing Director
 Mr. Paresh Golatkar, Chief Financial Officer
 Mrs. Sarika Ghanekar, Company Secretary

(ii) Non-Executive Directors

Mrs. Supriya Prakash Rane
 Mr. Sharadchandra Abhyankar
 Mr. Sumit Dutta Chowdhary
 Mr. Devendra Kamalakar Parulekar
 Mr. Ashokkumar Vitthal Dugade (appointed w.e.f. 1st April 2020)
 Mr. Punit Kumar Jain (appointed w.e.f. 4th September 2020)

(iii) Subsidiary

InstaSafe Technologies Private Limited

(iv) Fellow subsidiary

InstaSafe Inc. (wholly owned subsidiary of InstaSafe Technologies Private Limited)

(iv) Enterprises over which directors and relatives of such personnel exercise significant influence:

Khaitan & Company LLP, Mumbai
 Lipsita Projects & Services Private Limited
 Gaia Smart Cities Solutions Private Limited
 Saffron Studios Private Limited

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
(B) Transactions with related parties
(In ₹ Thousand)

Nature of transactions	As at 31 st March,	
	2021	2020
Purchase of services:		
Khaitan & Company LLP	600	-
Gaia Smart Cities Solutions Private Limited	-	-
Saffron Studios Private Limited	-	-
InstaSafe Technologies Private Limited	-	-
Key Management Personnel		
Remuneration	19,738	18,555
Other long term benefit	1,657	1,561
Dividend		
Mr. Prakash Rane	-	23,856
Mrs. Supriya Rane	-	6,135
Lipsita Projects & Services Private Limited	-	2,454
Sitting Fees		
Mrs. Supriya Rane	220	56
Mr. Sharadchandra Abhyankar	320	72
Mr. Sumit Dutta Chowdhary	240	60
Mr. Devendra Kamalakar Parulekar	280	76
Mr. Ashok Dugade	100	-
Mr. Punit Jain	60	-
Subscription of Compulsory Convertible Preference shares in		
InstaSafe Technologies Private Limited	-	-
(C) Outstanding		
InstaSafe Technologies Private Limited	-	-
Sitting Fees		
Mrs. Supriya Rane	-	4
Mr. Sharadchandra Abhyankar	-	4
Mr. Sumit Dutta Chowdhary	-	4
Mr. Devendra Kamalakar Parulekar	-	4

Note 2.35 Capital management
Risk management

The company's objectives when managing capital are to

- (i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)
divided by

Total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

(In ₹ Thousand)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Net debt	-	-
Total equity	18,72,835	16,74,536
Net debt to equity ratio	Nil	Nil

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Note 2.36 Financial Instruments

(i) Method and assumptions used to estimate the fair value

"A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non assets and liabilities. 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. A fair value measurement assumes 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 a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company."

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy Based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability

March 31, 2021
(In ₹ Thousand)

Particulars	Carrying Value	Classification		Amortised Cost	Fair Value		
		FVTPL	FVTOCI		Level 1	Level 2	Level 3
Financial assets							
Long Term Loans	14,862	-	-	14,862			
Trade Receivables	2,39,066	-	-	2,39,066			
Cash & Cash equivalents	3,26,266	-	-	3,26,266			
Other Bank Balances	1,95,776	-	-	1,95,776			
Short term Loans	17,959	-	-	17,959			
Other financial assets	95,801	-	-	95,801			
Investments	7,18,133	6,43,951	-	74,182	6,43,951		
	16,07,863	6,43,951	-	9,63,912	6,43,951	-	-
Financial Liabilities							
Borrowings	-			-			
Trade payables	1,34,989			134,989			
Other financial liabilities	29,144			29,144			
	1,64,133	-	-	1,64,133	-	-	-

March 31, 2020
(In ₹ Thousand)

Particulars	Carrying Value	Classification		Amortised Cost	Fair Value		
		FVTPL	FVTOCI		Level 1	Level 2	Level 3
Financial assets							
Long Term Loans	13,818	-	-	13,818	-	-	-
Trade Receivables	3,13,733	-	-	3,13,733	-	-	-
Cash & Cash equivalents	19,312	-	-	19,312	-	-	-
Other Bank Balances	35,135	-	-	35,135	-	-	-
Short term Loans	21,593	-	-	21,593	-	-	-
Other financial assets	85,696	-	-	85,696	-	-	-
Investments	8,46,029	7,69,299	-	76,729	7,69,299	-	-
	13,35,316	7,69,299	-	5,66,017	7,69,299	-	-
Financial Liabilities							
Trade payables	6,329	-	-	6,329	-	-	-
Other financial liabilities	28,505	-	-	28,505	-	-	-
	34,835	-	-	34,835	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended March 31, 2021
Financial Risk Management

The board of director has overall responsibility for the establishment & oversight of the company's risk management framework. The Board of director has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changed market conditions and the company's activities. The audit committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The audit committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Note 2.37 Details of Corporate Social Responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013, a company meeting applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, and rural development projects. A CSR committee has been formed by the company as per the act and the CSR funds are used in the areas mentioned above to some extent.

(In ₹ Thousand)

Particulars	As at 31 st March,	
	2021	2020
Amount required to be spent as per Section 135 of the Act for the year	4,515	5,131
Shortfall of previous year/s (if any)	-	-
Total amount required to be spent for the year	4,515	5,131
Amount spent during the year	4,551	5,144
Excess/(short) amount spent	36	13

Note 2.38

The Company's business activity falls within a single business segment i.e. software and services and hence no additional disclosure other than those already made in the financial statements are required under Accounting Standard 108, "Operating Segments". The Company at present, operates in India only and therefore analysis of geographical segment is not applicable.

Note 2.39

Balance of sundry Creditors, Debtors, Loans & Advances and Deposits are subject to confirmation and reconciliation if any. For the year, letters for confirmation of balances have been sent to various parties by the Company which have not been responded to. The Management however, does not expect any material changes therein. The balances are as per records available with the company.

Note 2.40

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W

Deepak Kumar Jain

Partner

Membership No.: 154390

Mumbai

25th June, 2021

For and on behalf of the Board of Directors

Prakash B. Rane - Managing Director

(DIN : 00152393)

Sharadchandra D. Abhyankar - Director

(DIN : 00108866)

Sarika A. Ghanekar - Company Secretary

Paresh M. Golatkar - Chief Financial Officer

FORM NO. AOC.1
Statement containing salient features of the financial statement of Subsidiary

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiary/associate companies/Joint ventures

Part "A": Subsidiary
(In ₹ Thousand)

Sr. No.	Name of the subsidiary	INSTASAFE TECHNOLOGIES PRIVATE LIMITED	INSTASAFE INC.
1	Date when Subsidiary was acquired / incorporated	12.5.2017	23.08.2018
2	Reporting currency	INR	INR
3	Share capital	1,212	175
4	Reserves & surplus	30,134	(4,744)
5	Total assets	98,731	31,971
6	Total Liabilities	67,384	36,540
7	Investments	671	-
8	Turnover	1,00,842	1,27,583
9	Profit/(Loss) before taxation	35,086	(7,282)
10	Provision for taxation	7,706	-
11	Profit (Loss)after taxation (before OCI)	27,380	(7,282)
12	Other Comprehensive Income	164	(15)
13	Profit (Loss) for the year (after OCI)- Total Comprehensive income attributable to the Owners of the Company	27,216	(7,267)
14	Proposed Dividend	-	-
15	% of shareholding	20.82%	100.00%

Notes : There is no Associate Company & Joint Venture . Hence Part B is not Applicable.

For and on behalf of the Board of Directors

Prakash B. Rane
Managing Director
(DIN: 00152393)

Sharadchandra D. Abhyankar
Director
(DIN: 00108866)

Date : 25th June, 2021
Place: Mumbai

Sarika A. Ghanekar
Company Secretary

Paresh M. Golatkar
Chief Financial Officer

Awards and Recognitions 2020-21

- Recognized as Best Tech Brands 2020-21 by Economic Times. ABM earned this recognition after a careful study conducted by ET on Brand Recall, Innovation and Brand Resilience.
- E-Municipality projects in Indore and Bhopal topped the Municipal Performance Index (MPI). This ranking was introduced by the Ministry of Housing and Urban Affairs in 2020 along with the Ease of Living Index (EoLI)
- Achieved the CMMI Level 5 certification.
- Bagged the prestigious Bareilly Smart City Project.
- Won large SAP HANA technology upgrade order in Mumbai worth INR 127 Crs.
- Union Textile Minister Smt. Smriti Zubin Irani inaugurated ABM Designed and Developed Handloom Portal and Mobile Apps to mark National Handloom Day.
- ABM's subsidiary, InstaSafe, was ranked by the prestigious FT Asia as one of the top growing companies of India and with an Asia Pacific rank of 55 and an absolute growth rate of 894%.
- InstaSafe got recognized for the third time by Deloitte India Fast 50 & APAC Fast 500, with consistent revenue growth consistently over the last three years.

Year at a Glance



ABM Knowledgeware Limited:

ABM House, Plot No. 268, Linking Road, Bandra (West), Mumbai - 400 050. Website: www.abmindia.com
 • CMMI Level 5 • ISO 9001:2015 • ISO 27001:2013 • ISO 20000-1: 2011

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