

SEEC Technologies Asia Private Limited**Balance Sheet as at March 31, 2020***(All amounts are in Rupees unless otherwise stated)*

Particulars	Note	March 31, 2020	March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	4	6,250,638	7,562,130
Financial Assets	5		
- Loans and deposits		2,782,896	2,782,896
Income tax assets (net)	6	17,865,557	15,385,557
Deferred Tax Assets	7	326,600	326,600
CURRENT ASSETS			
Financial asset	8		
- Trade Receivables		63,243,927	133,376,197
- Loans and deposits		79,593	157,479
- Cash and Cash equivalents		1,505,237	5,051,347
Other current assets	9	147,688,220	99,017,855
TOTAL		239,742,668	263,660,061
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Equity Share Capital	10	34,990,020	34,990,020
Other Equity	11	182,870,550	188,417,554
		217,860,570	223,407,574
CURRENT LIABILITIES			
Financial Liabilities	12		
- Trade payables		16,598,740	27,827,537
Other current liabilities	13	4,206,391	11,394,906
Short Term Provisions	14	1,076,967	1,030,044
TOTAL		239,742,668	263,660,061

Summary of significant accounting policies 3
The accompanying notes are an integral part of the financial statements
As per our report of even date

For SIVASUBRAMANIAN & RAO
Chartered Accountants
ICAI Firm Registration number: 003904S

S. K. Viswanathan

S.Viswanathan
Partner
Membership No. 20572



For and on behalf of the Board of Directors of
SEEC Technologies Asia Pvt Ltd

K. Govindarajan *T.V. Sinha*
K. Govindarajan **T.V. Sinha**
Director Director

Place: Chennai
Date: 12/06/2020

SEEC Technologies Asia Private Limited
Statement of Profit and Loss for the year ended March 31, 2020
(All amounts are in Rupees unless otherwise stated)

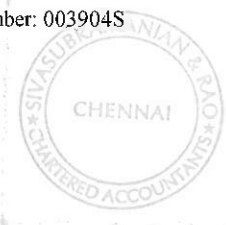
Particulars	Note	March 31, 2020	March 31, 2019
Revenue from operations	15	51,096,334	83,853,029
Other Income	16	8,774,563	17,337,225
Total Income		59,870,897	101,190,254
Expenses			
Employee Benefit Expenses	17	46,405,727	74,961,225
Depreciation and Amortization Expenses	4	1,311,492	1,311,492
Other Expenses	18	15,442,682	9,138,132
Total Expenses		63,159,901	85,410,849
Profit/(loss) before tax		(3,289,005)	15,779,405
Tax Expenses			
Income taxes - Current tax		2,258,000	4,431,000
- Deferred tax		-	358,168
Profit/(Loss) for the year		(5,547,005)	10,990,237
Other comprehensive income			
Items that will not be reclassified subsequently to profit and loss			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Items that will be reclassified subsequently to profit and loss			
Net movement on cash flow hedges		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		(5,547,005)	10,990,237
Earnings per share	19		
Equity shares par value Rs 5 each (March 17 Rs 5 each)			
Basic		(1.59)	3.14
Diluted		(1.59)	3.14

Summary of significant accounting policies 3
The accompanying notes are an integral part of the financial statements


As per our report of even date


For SIVASUBRAMANIAN & RAO
Chartered Accountants
ICAI Firm Registration number: 003904S


S. Viswanathan
Partner
Membership No. 20572



For and on behalf of the Board of Directors of
SEEC Technologies Asia Pvt Ltd


K. Govindarajan
Director


T.V. Sinha
Director

Place: Chennai
Date: 12/06/2020

SEEC Technologies Asia Private Limited

Statement of Changes in Equity for the year ended March 31, 2020

(All amounts are in Rupees unless otherwise stated)

Statement of Changes in Equity for the year ended 31 March 2020

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Amount (INR)
As at April 1, 2018	3,499,002	34,990,020
Issue of share capital	-	-
At March 31, 2019	3,499,002	34,990,020
Issue of share capital	-	-
At March 31, 2020	3,499,002	34,990,020

b. Other equity

For the year ended March 31, 2020

Particulars	Reserves & Surplus			Other Comprehensive Income	Total Equity
	Securities premium	General reserve	Retained earnings		
As at April 1, 2019	-	-	188,417,554	-	188,417,554
Profit / (Loss) for the year	-	-	(5,547,005)	-	(5,547,005)
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-
As at March 31, 2020	-	-	182,870,550	-	182,870,550

For the year ended March 31, 2019

Particulars	Reserves & Surplus			Other Comprehensive Income	Total Equity
	Securities premium	General Reserve	Retained earnings		
As at April 1, 2018	-	-	177,427,317	-	177,427,317
Profit / (Loss) for the year	-	-	10,990,237	-	10,990,237
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-
As at March 31, 2019	-	-	188,417,554	-	188,417,554

Summary of significant accounting policies

3

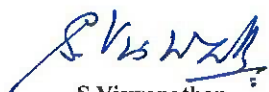
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As per our report of even date

For SIVASUBRAMANIAN & RAO

Chartered Accountants

ICAI Firm Registration number: 003904S



S. Viswanathan


Partner


Membership No. 20572



For and on behalf of the Board of Directors of

SEEC Technologies Asia Pvt Ltd


K. Govindarajan
Director


T.V. Sinha
Director

Place: Chennai

Date: 12/06/2020

SEEC Technologies Asia Private Limited
Statement of cash flow for the year ended March 31, 2019
(All amounts are in Rupees unless otherwise stated)

	March 31, 2020	March 31, 2019
Cash flows from / (used in) operating activities		
Profit before taxation	(3,289,005)	15,779,405
Other Comprehensive Income		
Add:		
Depreciation and amortisation	1,311,492	1,311,492
Provision for doubtful debts	-	-
Operating Profit / (Loss) before working capital changes	(1,977,512)	17,090,897
Movement in working capital		
Decrease / (Increase) in trade receivables	70,132,270	122,117,178
Decrease/(Increase) in loans and advances and other assets	(48,592,479)	(21,987,352)
Increase/(Decrease) in liabilities and provisions	(18,370,389)	(110,049,133)
Cash flow used in operations	1,191,889	7,171,590
Taxes paid	(4,738,000)	(2,350,000)
Net cash flow from / (used in) operating activities	(3,546,111)	4,821,590
Cash flows used in investing activities	-	-
Net cash flow used in investing activities	-	-
Cash flows from financing activities	-	-
Net cash flow from in financing activities	-	-
Exchange differences on translation of foreign currency cash and cash equivalents	-	-
Net increase / (decrease) in cash and cash equivalents during the year	(3,546,110)	4,821,590
Cash and cash equivalents at the beginning of the year	5,051,347	229,757
Cash and cash equivalents at the end of the year (Refer Note 12)	1,505,237	5,051,347
Cash and cash equivalents As per Note 12d (Disclosure)	1,505,237	5,051,347

As per our report of even date

For SIVASUBRAMANIAN & RAO
Chartered Accountants
ICAI Firm Registration number: 003904S

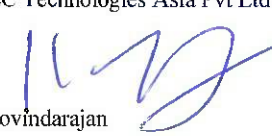

S. Viswanathan
Partner


Membership No. 20572

Place: Chennai
Date: 12/06/2020



For and on behalf of the Board of Directors of
SEEC Technologies Asia Pvt Ltd


K. Govindarajan
Director


T.V. Sinha
Director

SEEC Technologies Asia Private Limited

Notes forming part of the accounts for the year ended March 31, 2020

(All amounts are in Rupees in lakhs unless otherwise stated)

4 Plant, property and equipment

Particulars	Land	Buildings	Plant & Machinery	Electrical Equipment	Furniture and Fittings	Office Equipment	Total
Gross Block							
As at April 1, 2018	2,399,995	5,944,765	20,854,548	5,724,901	11,135,236	8,594,785	54,654,231
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
As at March 31, 2019	2,399,995	5,944,765	20,854,548	5,724,901	11,135,236	8,594,785	54,654,231
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	(169,542)	(72,034)	-	(241,576.28)
As at March 31, 2020	2,399,995	5,944,765	20,854,548	5,555,359	11,063,202	8,594,785	54,412,655
Accumulated Depreciation							
As at April 1, 2018	-	1,950,719	20,854,548	5,724,901	8,655,655	8,594,785	45,780,609
Depreciation charge for the year	-	197,964	-	-	1,113,528	-	1,311,492
Disposals	-	-	-	-	-	-	-
As at March 31, 2019	-	2,148,683	20,854,548	5,724,901	9,769,183	8,594,785	47,092,101
Depreciation charge for the year	-	197,964	-	-	1,113,528	-	1,311,492
Disposals	-	-	-	(169,542.38)	(72,033.90)	-	(241,576.28)
As at March 31, 2020	-	2,346,647	20,854,548	5,555,359	10,810,677	8,594,785	48,162,017
Net Book Value							
As at April 1, 2018	2,399,995	3,994,046	-	-	2,479,581	-	8,873,622
As at March 31, 2019	2,399,995	3,796,082	-	-	1,366,053	-	7,562,130
As at March 31, 2020	2,399,995	3,598,118	-	-	252,525	-	6,250,638

"Land and Building with a carrying amount of Rs. 5,998,113 (31st Mar 2019 Rs.6,196,077) are subject to first charge to secure the Company's bank loans."

SEEC Technologies Asia Private Limited
Notes to the financial statements As on March 31, 2020
(All amounts are in Rupees unless otherwise stated)

		As at	
	Particulars	March 31, 2020	March 31, 2019
	NON-CURRENT ASSETS		
5	FINANCIAL ASSET		
	Loans and deposits, carried at amortized cost		
	Security Deposits, Considered Good	2,782,896	2,782,896
		<u>2,782,896</u>	<u>2,782,896</u>
6	Income tax assets (net)		
	Income tax (Net of Provision)	17,865,557	15,385,557
		<u>17,865,557</u>	<u>15,385,557</u>
7	Deferred Tax Assets		
	Property, Plant & Equipment	326,600	326,600
		<u>326,600</u>	<u>326,600</u>
	CURRENT ASSETS		
8	FINANCIAL ASSET		
a	Trade Receivables		
	Unsecured, Considered Good		
	-Outstanding for more than six months	26,641,364	85,803,246
	-Others	36,602,563	47,572,951
	Doubtful		-
	Less: Allowances for doubtful debts		-
		<u>63,243,927</u>	<u>133,376,197</u>
	Trade receivables includes:		
	Receivable from related parties	63,243,927	133,376,197
b	Cash and cash equivalent carried at amortized cost		
	Balance with banks		
	- On Current accounts	1,505,237	5,051,347
	- On Deposit accounts		-
		<u>1,505,237</u>	<u>5,051,347</u>
	For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
	Balances with banks:		
	- On current accounts	1,505,237	5,051,347
	Cash at bank and short term deposits		-
		<u>1,505,237</u>	<u>5,051,347</u>
	Less – Bank overdraft		-
		<u>1,505,237</u>	<u>5,051,347</u>
c	Other financial assets carried at amortized cost		
	(b) Loans and deposits carried at amortized cost		
	- Loans to employees	79,593	157,479
		<u>79,593</u>	<u>157,479</u>
9	OTHER CURRENT ASSETS		
	Advances to related parties	48,873,061	9,594,308
	Input tax credit receivable	78,140,730	74,088,727
	Prepayments and other recoveries*	20,674,429	15,334,820
		<u>147,688,220</u>	<u>99,017,855</u>

SEEC Technologies Asia Private Limited
Notes to the financial statements As on March 31, 2020
(All amounts are in Rupees unless otherwise stated)

	Particulars	As at	
		March 31, 2020	March 31, 2019
10 SHARE CAPITAL			
<u>Authorised</u>			
35,00,000 equity shares of Rs 10 each.		35,000,000	35,000,000
		35,000,000	35,000,000
(b) Issued, Subscribed and Paid up			
34,99,002 equity shares of Rs 10 each		34,990,020	34,990,020
		34,990,020	34,990,020
Shares held by shareholders holding more than 5 percent shares in the Company.			
		March 31, 2020	March 31, 2019
89,99,994 shares held by Intellect Design Arena Limited, Chennai - 99.99%		89,999,940	89,999,940
Particulars		March 31, 2020	March 31, 2019
No. of Shares outstanding at the beginning of the year/period		9,000,000	9,000,000
No. of Shares issued during the year		-	-
No. of Shares outstanding at the end of the year/period		9,000,000	9,000,000
11 OTHER EQUITY			
Retained earnings		182,870,550	188,417,554
		182,870,550	188,417,554
CURRENT LIABILITIES			
12 FINANCIAL LIABILITIES			
(a) Trade payable			
- Total outstanding dues of creditors OTHER than micro enterprises and small enterprises		16,598,740	27,827,537
		16,598,740	27,827,537
13 OTHER CURRENT LIABILITIES			
Statutory dues		1,264,827	2,812,720
Employee benefit expenses payable		2,941,564	8,582,186
		4,206,391	11,394,906
14 SHORT TERM PROVISIONS			
Provision for employee benefits			
- Provision for leave benefits		1,076,967	1,030,044
		1,076,967	1,030,044
15 Revenue from Operations			
-Sale of services		51,096,334	83,853,029
		51,096,334	83,853,029
16 Other Income			
-Interest Income		7,577	51,364
-Rental Income		3,522,306	1,837,725
-Profit on sale of assets		241,576	-
-Net Gain on foreign currency transaction and translation (other than considered as finance cost)		5,003,104	15,448,137
		8,774,563	17,337,225

SEEC Technologies Asia Private Limited
Notes to the financial statements As on March 31, 2020
(All amounts are in Rupees unless otherwise stated)

		As at	
	Particulars	March 31, 2020	March 31, 2019
17	Employee Benefit Expenses		
	Salaries and incentives	44,731,866	73,948,346
	Contribution to provident and other funds	786,860	841,272
	Gratuity contribution scheme	879,501	164,157
	Staff welfare expenses	7,500	7,450
		46,405,727	74,961,225
18	OTHER EXPENSES		
	Payment to the auditors		
	-Statutory Audit fees	160,000	160,000
	-Tax Audit fees	40,000	40,000
	-Certification Fees	20,000	20,000
	Cost of software packages, consumable and maintenance	-	-
	Professional and Legal charges	77,592	236,246
	Power and Fuel	14,682,571	4,280,654
	Rent	-	886,237
	Repairs - Plant and machinery	-	942,458
	Office maintenance	-	1,214,377
	Rates and taxes excluding Taxes on Income	444,742	1,314,730
	Bank charges & commission	17,777	43,430
		15,442,682	9,138,132

SEEC Technologies Asia Private Limited
Notes to the financial statements As on March 31, 2020
(All amounts are in Rupees unless otherwise stated)

1 Corporate Information

SEEC Technologies Asia Pvt Ltd("The Company") (U72200TG1998PTC029093) is a company incorporated in India on 23rd March 1998 with the objective of developing and distributing computer software and providing services relating to development and maintenance of computer software.

The Company is 100% subsidiary of "Seec US" as its registered office at Plot No.6, Apiic Software Units Layout Hi-Tec City, Madhapur Hyderabad 500 081

2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

3 Summary of Significant accounting policies

3.1. Current versus non-current classification

An asset has been classified as current when it satisfies any of the following criteria;

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

A liability has been classified as current when it satisfies any of the following criteria;

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets and liabilities have been classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products/activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

3.2. Fair value Measurement

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: a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability c) The principal or the most advantageous market must be accessible by the Company.

3.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3.4 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in value.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.5 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of services (it includes)

(a) Software development and support services

Revenue from software development and support services comprises income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue from fixed-price contracts is recognized in accordance with the proportionate completion method, where there is no uncertainty on the measurability and collectability of the consideration. Provision for estimated losses on incomplete contract is recorded in the year in which such losses become probable based on the current contract estimates.

(b) Product licenses and related revenues

Revenues from product licenses and related services includes income under multiple element arrangements recognized as follows:

Revenue from software development contract and time bound contracts are recognized using proportionate completion method over the life of the contract. Provision for estimated losses, if any, on incomplete contracts are recorded in the year in which such losses become probable based on current contract estimates.

Product maintenance revenues are recognized over the period of the maintenance contract. Revenue from sale of licenses which are not in the nature of multiple element arrangements are recognized upon delivery of these licenses which constitute transfer of all risks and rewards and has no further obligations under those arrangements.

Revenue from time and material contracts are recognised as services are rendered and related costs are incurred.

Revenue in excess of billing represents earnings on ongoing fixed price and time and material contracts over amounts invoiced to customers.

Billings in excess of revenue represent amounts billed in case of ongoing fixed price and time and material contracts wherein amounts have been billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

Other Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

3.6 Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.7. Retirement and other employee benefits

a. Provident Fund

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Group make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. The Group has no further obligations under the plan beyond its monthly contributions.

b. Gratuity

The Group provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. A trust by name "Polaris Software Lab Group Gratuity Trust" has been constituted to administer the gratuity fund. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of Re-measurement, comprising of actuarial gain or loss and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled and adjusted for unrecognised past service cost, if any. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

c. Compensated Absences

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.8 .Property, plant and equipment:

Plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable in bringing the asset to its working condition for its intended use. Material replacement cost is capitalized provided it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced is derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life. All other repair and maintenance costs are recognised in profit or loss as incurred. Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives prescribed in Schedule II of the Companies Act

3.9 Taxes

Current Tax for the current year is computed as per the provisions of Section 115JB and the Minimum Alternate Tax liability (MAT) is provided for.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

SEEC Technologies Asia Private Limited**Notes forming part of the accounts for the year ended March 31, 2020**

(All amounts are in Rupees in lakhs unless otherwise stated)

19 Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	31-Mar-20	31-Mar-19
Profit / loss attributable to the equity holders of the company used in calculating	(5,547,005)	10,990,237
Weighted average number of equity shares used as the denominator in calculating		
- Basic	3,499,002	3,499,002
- Diluted	3,499,002	3,499,002
Earning per share of Rs.5 each		
- Basic	(1.59)	3.14
- Diluted	(1.59)	3.14

SEEC Technologies Asia Pvt Ltd
Notes forming part of the accounts for the year ended March 31, 2020
(All amounts are in Rupees in lakhs unless otherwise stated)

20 Related party transactions

a. List of related parties

Group Holding Company

1. Intellect Design Arena Ltd, Chennai, India

Direct Holding Company

1. Intellect Design Arena Pte Ltd, Singapore ('Intellect Singapore')

2. Intellect Design Arena Inc, USA ('Intellect Inc. – SEEC US')**

b. Transactions and Balances with related parties

Particulars	3/31/2020	3/31/2019
Transactions during the Year		
Intellect Design Arena Limited		
Expenses:		
Software development expenses	25,819,200	48,557,800
Intellect Design Arena Inc, USA		
Income:		
Rendering software development service	51,096,334	83,853,029
Balances as on Balance sheet Date		
(Payables)/Receivables		
Intellect Design Arena Limited	48,873,061	9,594,308
Intellect Design Arena Inc, USA	59,755,885	132,093,388

(c) Key management personnel (KMP)

1. Mr. Kedarnath Udiyavar

2. Mr. Govindarajan Krishnamurthy

3. Mr. T.V. Sinha

21 Contingent Liabilities

Forum where the dispute is pending	Period to which the amount relates	Amount (Rs in Lakhs)	Amount adjusted against refund receivable
Commissioner of Income Tax (Appeals), Hyderabad	AY 2013-14	2,098,636	2,098,636
Income Tax Appellate Tribunal, Hyderabad	AY 2014-15	2,384,180	2,384,180
The Company is in the process of filing appeal before CITI (A).	AY 2014-15	1,167,610	-

22 Power & Fuel Rs.1,46,82,571/- includes an amount of Rs.1,10,00,000/- towards provision for accepted liability pertaining to previous period.

23 Company's Land and Building are subject to first charge to secure the ultimate holding company's (Intellect Design Arena Ltd) Bank Loans

24 Prior periods Comparatives

Previous year figures have been re grouped/ reclassified, where ever necessary to conform to this years classification

As per our report of even date

For SIVASUBRAMANIAN & RAO

Chartered Accountants

ICAI Firm Registration number: 003904S

S. Viswanathan

Partner

Membership No. 20572

Place: Chennai

Date: 12/06/2020

For and on behalf of the Board of Directors of

SEEC Technologies Asia Pvt Ltd

K. Govindarajan

Director

T.V. Sinha

Director



SIVASUBRAMANIAN & RAO

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEEC TECHNOLOGIES ASIA PRIVATE LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of SEEC Technologies Asia Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") 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, 2020, the loss and total comprehensive Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind AS 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 independence requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Ph : 42605611 / 42605612 E-mailsandr@sandr.co.in

Branch Office : D.No. 9-25-4/1, CBM Compound, Near Timpany School, Visakhapatnam - 530 003.
Ph : 6302842392, 9884043238. E-mailsandrskp@sandr.co.in



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

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

Auditor's Responsibilities

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 misstatements 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 matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 Ind AS financial statements vide note no 26.

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

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

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

For SIVASUBRAMANIAN & RAO
Chartered Accountants
FRN: 003904S



S.Viswanathan
M.No:20572
Partner



Place: Chennai
Date: 12.06.2020

UDIN : 20020572AAAABM 9020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEEC Technologies Asia Private 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")

We have audited the internal financial controls over financial reporting of SEEC Technologies Asia Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 Accountants 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, is sufficient and appropriate to provide a basis for our audit opinion on the 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 the best of our information and according to the explanations 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Chennai
Date: 12.06.2020

For SIVASUBRAMANIAN & RAO
Chartered Accountants
FRN: 003904S


S. Viswanathan
M.No20572
Partner



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEEC Technologies Asia Private Limited of even date)

i. In respect of the Company's fixed assets:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the company has not given any loan or provided any guarantee or given any security in connection with the loan within the meaning of section 185 of the Act. In respect of securities given by the company covered under section 186 of the Act, the company has complied with the provisions of Section 186 of the Act.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The Company has not accepted any deposits from the public.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below:



Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	20.99	AY 2013-2014	CIT (Appeal)
Income Tax Act, 1961	Income Tax	23.84	AY 2014-2015	IT Appellate Tribunal
Income Tax Act, 1961	Income Tax	11.68	AY 2014-2015	Process of filing with CITI (appeal)

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The company has not paid any remuneration to directors, hence, clause 3(xi) of the order is not applicable to the company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chennai
Date: 12.06.2020

For SIVASUBRAMANIAN & RAO
Chartered Accountants
FRN: 003904S

S. Viswanathan
S. Viswanathan
M.No: 20572
Partner

