



**MKCL**

Creating a Knowledge Lit World  
www.mkcl.org

# MAHARASHTRA KNOWLEDGE CORPORATION LIMITED

CIN: U80302 PN2001 PLC135348

ISO 9001:2015 company



**19<sup>th</sup> ANNUAL REPORT**  
**2019-20**

**Maharashtra Knowledge Corporation Limited**  
**CIN U80302PN2001 PLC135348**

**BOARD OF DIRECTORS**

Independent Directors  
Dr. Anil Kakodkar, Chairman  
Dr. Deepak Phatak  
Dr. Charudatta Mayee  
Dr. Rajaram Deshmukh  
Dr. Charudatta Mayee  
Dr. Anant Sardeshmukh  
Mr. Girish Sohani

University Representatives  
Professor E. Vayunandan  
Professor Suhas Pednekar

Government Nominee  
Mr. S. V. R. Srinivas

Managing Director  
Ms. Veena Kamath  
Appellate Authority (under RTI Act)  
md@mkcl.org

Company Secretary & Chief Executive Officer  
Ms. Komal Chaula  
Information Officer (under RTI Act)  
cs@mkcl.org; ceo@mkcl.org

**Special Invitees:**

Mr. Vivek Sawant  
Chief Mentor

Mr. Sameer Pande  
Joint Managing Director

Mr. Manoj Narvekar  
Chief Financial Officer

**STATUTORY AUDITORS**

G.D. Apte & Co., Chartered Accountants

**COST AUDITORS**

S. R. Bhargave & Co., Cost Accountants

**INTERNAL AUDITORS**

Natu & Pathak, Chartered Accountants

**SECRETARIAL AUDITORS**

Shailesh Indapurkar & Associates, Company Secretaries

**REGISTRAR AND TRANSFER AGENT**

Alankit Assignments Limited

**REGISTERED OFFICE**

ICC Trade Tower, 'A' Wing, 5<sup>th</sup> Floor,  
Senapati Bapat Road, Shivajinagar,  
Pune 411016, Maharashtra, India.  
Tel.: +91 20 40114500/501; Fax: +91 20 25630302  
Email : mkcl@mkcl.org

**OTHER OFFICES**

ICC Trade Tower, 'B' Wing, 5<sup>th</sup> Floor,  
Senapati Bapat Road, Shivajinagar,  
Pune 411016, Maharashtra, India.  
Tel. 020 40114670

ICC Trade Tower, 'A & B' Wing, 6<sup>th</sup> Floor,  
Senapati Bapat Road, Shivajinagar,  
Pune 411016, Maharashtra, India.  
Tel. 020 40114600

Plot No. 30, Sector 42-A, Nerul, Seawoods,  
Navi Mumbai 400706, Maharashtra, India.  
Tel. 022 27715021/22

**BANKERS**

HDFC Bank, ICICI Bank,  
Bank of India, State Bank of India

**DIRECTORS' REPORT**

**To the Members of Maharashtra Knowledge Corporation Limited (MKCL)**

Your Directors are pleased to present the 19<sup>th</sup> Annual Report on the business and operations of your Company ("the Company" or "MKCL") along with the Audited Financial Statements for the financial year ended March 31, 2020.

**1.0 FINANCIAL RESULTS**

The summary of the financial results of standalone and consolidated Accounts for the Financial Year (F.Y.) ended March 31, 2020 vis-à-vis those of the previous year are summarized below:

(Rupees In Lakhs)

Particulars	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Revenue from Operations (A)	15,790.37	16,442.12	15,790.37	16,178.10
Other Income (B)	4,286.11	2,565.04	2,346.91	2,621.39
Profit/(Loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense (C)	7,318.34	6,327.17	5,248.92	5,967.64
Less: Depreciation/ Amortization/ Impairment (D)	381.05	234.52	381.05	234.56
Profit/(Loss) before Finance Costs, Exceptional items and Tax Expense (E) = (C) - (D)	6,937.29	6,092.65	4,867.87	5,733.08
Less: Finance Costs (F)	49.87	4.74	49.87	4.74
Profit / (Loss) before Exceptional items and Tax Expense (G) = (E) - (F)	6,887.42	6,087.91	4,818.00	5,728.34
Add/(less): Exceptional items (H)	0.00	0.00	0.00	0.00
Profit / (Loss) before Tax Expense (I) = (G)+(H)	6,887.42	6,087.91	4,818.00	5,728.34
Less: Tax Expense (Current & Deferred) (J)	1,535.52	1,581.09	1,535.52	1,581.09
Profit / (Loss) for the year (1) = (I)-(J)	5,351.90	4,506.82	3,282.48	4,147.25
Profit / (Loss) for the year - Joint Ventures (2)	0.00	0.00	315.82	1,125.84
Other Comprehensive Income/loss (3)	1,445.96	(7.87)	1,504.87	173.81
Total 4 = (1+2+3)	6,797.86	4,498.95	5,103.17	5,446.90
Balance of profit / (Loss) for earlier years	24,779.18	21,018.07	32,516.68	27,989.32
Less: Transfer to General Reserves	500.00	500.00	500.00	500.00
Less: Transfer to Equity Instrument through OCI Reserves	1,426.53	0.00	1,426.53	0.00
Less: Transfer to Foreign Currency Translation Reserve	0.00	0.00	56.14	181.68
Less: Adjustments on account of discontinuation of consolidation & other reclassification (Refer statement of change in equity of Consolidated Financial Statement)	0.00	0.00	4,377.74	0.00
Less: Dividend & DDT paid on Equity Shares	242.41	237.84	242.41	237.86
<b>Balance carried forward</b>	<b>29408.10</b>	<b>24,779.18</b>	<b>31,017.03</b>	<b>32,516.68</b>

**Notes:**

- The above figures are extracted from the Audited Standalone and Consolidated Financial Statements as per Indian Accounting Standards (Ind AS). The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2020, and the comparative information presented in these financial statements are for the year ended 31<sup>st</sup> March, 2019.

The Financial Statements are in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013.

- In accordance with the Ind AS-110 on Consolidation of Financial Statements read with Ind AS-28 on accounting for Investments in Associates & Joint Ventures and as provided under the provisions of the Companies Act, 2013 (hereinafter

referred to as “Act”) read with schedule III to the Act and Rules made thereunder, the Audited Consolidated Financial Statements are provided in the Annual Report, which show the financial resources, assets, liabilities, income, profits and other details of the company, its Joint Venture companies as a single entity.

- The Company along with Standalone financial statements have presented consolidated financial statements with its Joint venture companies namely; - Odisha Knowledge Corporation Limited (OKCL); Haryana Knowledge Corporation Limited (HKCL) and MKCL Arabia Limited - Foreign Joint Venture.

## 2.0 RESULTS OF OPERATIONS

### 2.1 Business Performance

#### 2.1.1 Revenues

Total Income for the year ended March 31, 2020 amounted to Rs.20,076.48 Lakhs as against Rs. 19,007.16 Lakhs for the corresponding previous year, the increase in total Income is Rs.1,069.32 Lakhs i.e. 5.63% over last year.

Revenue from operations for the F.Y.2019-20 is Rs.15,790.37 Lakhs as against Rs.16,442.12 Lakhs in the previous F.Y.2018-19 i.e. decrease by Rs.651.75 Lakhs. The main reason for decrease in revenue is due to COVID-19 pandemic situation resulting into mandatory Lockdown being imposed in India from March 23, 2020. Hence, all the Authorised Learning Centers were closed. As a result of the Lockdown there were no MS-CIT admissions for March, 2020 batch. The total learners count in March, 2019 was 94,425 learners and learner count this year upto March 22, 2020 i.e. up to Lockdown was around 21,783 learners, so there was a comparative short fall of around 72,642 Learners in March, 2020 which resulted in drop in revenue of about 10 crores plus.

The Learner count for KLiC courses has increased from 62,664 learners in F.Y.2018-19 to 70,720 Learners in F.Y.2019-20 i.e. increase by 8056 learners which is 12.86% increase as compared to previous F.Y.

The Other Income has increased from Rs.2,565.04 Lakhs in F.Y. 2018-19 to Rs.4,286.11 Lakhs in F.Y.2019-20 i.e. increase by Rs.1,721.07 Lakhs. The reasons for increase in other income is mainly due to repatriation of funds from MKCL International FZE (the liquidated foreign subsidiary) as dividend amounting to Rs.1,490.14 Lakhs and also due to receipt of dividend towards F.Y.2017-18 from Foreign Joint venture in Riyadh i.e. MKCL Arabia Limited amounting to Rs.449.06 Lakhs.

The Other expenses of the Company has comparatively gone up from Rs.894.70 Lakhs in F.Y.2018-19 to Rs.1,106.70 Lakhs in F.Y.2019-20 i.e. increase by Rs.212.00 Lakhs. The main reason being writing off of investment in Equity Share Capital of MKCL Knowledge Foundation (100% Subsidiary) i.e. not for profit Company (Section 8 Company), as there is no future economic benefit to be received from the Section 8 Company. Also in this F.Y.2019-20, the expected Credit Loss on debtors of Rs.95.20 Lakhs is being adjusted in our Profit & Loss Account.

#### 2.1.2 Profits before and after tax

The Profits before Tax have increased from Rs.6,087.91 Lakhs in F.Y.2018-19 to Rs.6,887.42 Lakhs in F.Y.2019-20 i.e. increase of 13.13% amounting to Rs.799.51 Lakhs and Profit After Tax before OCI (Other Comprehensive Income) increased from Rs.4,506.82 Lakhs in F.Y.2018-19 to Rs.5,351.90 Lakhs in F.Y.2019-20 i.e. increase of 18.75% amounting to Rs.845.08 Lakhs.

There is decrease in turnover from MS-CIT as compared to the previous Financial Year's turnover. The Turnover from MS-CIT for F.Y. 2019-20 was Rs.9,142.20 Lakhs as compared to Rs.9,731.91 Lakhs for F.Y. 2018-19 decrease of Rs.589.71 Lakhs i.e.6.06% decrease over previous Financial Year. The MS-CIT learners count in F.Y. 2019-20 was 696618 learners as against 746707 learners for F.Y. 2018-19 which is decrease by 50089 learners i.e. 6.71% decrease as compared to previous F.Y. This short fall in count is mainly due to the reason of COVID-19 pandemic situation resulting into mandatory Lockdown being imposed in India from March 23, 2020 as a result of which all the Authorized Learning Centers were closed who are our network partners, where the MS-CIT course is given.

Revenue from Mission Mode Skill Development Program (MMSDP) of Rs.3,317.28 Lakhs in F.Y. 2019-20 as against Rs.3,228.13 Lakhs for the previous F.Y. 2018-19 which is increase of Rs.89.15 Lakhs i.e. 2.76% higher than previous year. The number of learners under Kushal Yuva Program of Bihar, under skill development in F.Y. 2019-20 was 387407 as against 363254 in the previous F.Y. 2018-19 i.e. increase by 24153 i.e. 6.65% over last year.

In F.Y. 2019-20, the Company gave Double Booster Award Scheme 2019, Super Start Award, and Summer Bonanza Award to its eligible Network Partners. This year also, PPF Awards were given to Network Partners who were consistent performers for the last decade.

## 2.1.3 General Reserves

The Board of Directors propose to transfer Rs.500 Lakhs to the General Reserves, out of profits earned by the Company for the year ended March 31, 2020.

## 2.1.4 Dividend

Your Directors are pleased to recommend final dividend @ Re.1/- per equity share of Rs.10/- each i.e. 10%, which if approved in the ensuing 19<sup>th</sup> Annual General Meeting, will be paid to those members whose names will appear in the Register of Members as on the record date.

## 2.1.5 Liquidity

Your Company continues to remain debt-free and maintain sufficient cash to meet its strategic objectives. There are no long-term borrowings. During F.Y. 2019-20, internal cash flow covered the working capital requirements. Net Cash Flow from operating activities is Rs.874.71 Lakhs & due to investing activities, the net cash flow was Rs.571.18 Lakhs as on March 31, 2020. We had liquid assets of Rs.1429.14 Lakhs as against Rs.395.65 Lakhs at the previous year end. The funds have been invested mainly in Fixed Deposits with nationalized Banks, in Liquid rate Income Funds and in debt & equity mutual funds.

## 2.1.6 Particulars of loans, guarantees or investments

There are no Loans, guarantees given pursuant to Section 186 of the Companies Act, 2013. The Investments covered under Section 186 of the Companies Act, 2013, are disclosed in Note no. 5, 6 & 11 forming part of the Financial Statements as on March 31, 2020

## 2.1.7 Fixed Deposits

The Company has not accepted any fixed deposits till date and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

## 2.1.8 Material changes and commitments affecting financial position between the end of the financial year and date of the report.

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets such as receivables, investment in subsidiaries & other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, policies of the Government and other relevant economic factors. Based on these observed factors, the Company expects the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

## 3.0 REPORT ON PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

### 3.1 MKCL Knowledge Foundation - 100% Subsidiary of the Company

The Company had promoted MKCL Knowledge Foundation (MKCLKF), a not-for-profit organization (Section 8 Company) as a wholly owned subsidiary on September 10, 2014 for undertaking various social objectives. This was the sixth year, since it commenced its activities.

In the F.Y. 2019-20, MKCLKF spent Rs.77.01 Lakhs on its various programs and other operational and administrative overheads amounted to Rs.66.98 Lakhs, totaling to Rs.143.99 Lakhs. The Company had revenue from operations of Rs.2.92 Lakhs along with interest income on Fixed deposits with nationalized banks of Rs.141.15 Lakhs & other non-operating income of Rs.1.09 Lakhs, totaling to Rs.145.16 Lakhs.

Detailed Statement containing salient features of financial statement is annexed as Annexure II in form AOC-1.

### 3.2 Odisha Knowledge Corporation Limited (OKCL) - Joint Venture Company

The Company holds 6,00,000 equity shares (50% of total shareholding) of Rs.10/- each in the paid-up share capital of OKCL. Detailed Statement containing salient features of financial statement is annexed as Annexure II in form AOC-1.

### 3.3 Haryana Knowledge Corporation Limited (HKCL) - Joint Venture Company

The Company holds 6,00,000 equity shares (30% of total shareholding) of Rs.10/- each in the paid-up share capital of HKCL. Detailed Statement containing salient features of financial statement is annexed as Annexure II in form AOC-1.

### 3.4 MKCL Arabia Limited - Foreign Joint Venture

The Company had acquired 500 shares at face value of 1000 Saudi Riyal per share of MKCL Arabia Limited. Detailed Statement containing salient features of financial statement is annexed as Annexure II in form AOC-1.

## 4.0 REPORT OF BUSINESS OPERATIONS & INNOVATIONS OF MKCL

### 1. Introduction:

#### 1.1.1 Incorporation:

Maharashtra Knowledge Corporation Limited (MKCL) is a public limited company promoted and established by the Department of Higher and Technical Education, Government of Maharashtra and was incorporated on August 20, 2001 under the Companies Act, 1956.

In order to make the capabilities of MKCL available to all the Departments of Government of Maharashtra, governmental coordination of the affairs of the Company has been handed over from January 05, 2018 to the General Administration Department (GAD) from Department of Higher & Technical Education. Subsequently, it was allocated to Directorate of Information Technology under GAD.

#### 1.1.2 Transformative Agenda:

Keeping in view the rapid emergence of a knowledge-based society and knowledge-led economy on the global scale and recognizing that actionable knowledge is increasingly becoming synonymous to wealth, MKCL is dedicated to the cause of bridging the Knowledge Divide and resultant Development Opportunity Divide faced by the common people in general and youth and school students in particular.

The vision of MKCL, therefore, is to develop learning, governance and empowerment systems which are world-class and value-based and which are responsive to the individual and social developmental needs of the people by bridging the Digital Divide.

As most of the new actionable knowledge is being digitally born (often through digital collaborations), digitally stored, digitally presented, digitally distributed, digitally accessed, digitally archived and managed and in many cases even applied digitally for socio-economic progress, it becomes absolutely essential to pursue the transformative agenda of bridging the Knowledge Divide and resultant Development Opportunity Divide by first helping the common people in effectively bridging the **Digital Divide**.

#### 1.1.3 Unique Identity:

The major challenge before MKCL in pursuing this agenda of bridging these new divides is to offer appropriate solutions and services for accessing education, governance and empowerment opportunities appropriate to emerging knowledge era by a large and diverse population with world-class quality, at a very affordable cost, with widest accessibility from metros to rural, tribal and hilly areas and in a just-in-time manner with a deeper personalized service experience on a mass-scale.

In other words, these six simultaneous challenges or mission objectives of MKCL for transformation in the fields of digital literacy, education, governance and empowerment may be summarized as **Bigger, Better, Cheaper, Faster, Wider and Deeper!**

In order to address all these six challenges simultaneously, MKCL uses two solvers viz. to simultaneously become **Smarter and Wiser**. In order to grow smarter in solving these challenges, MKCL right from its inception has recognized the transformative role of the appropriate use of Information Technology as an equalizer, economizer, mass-scale enabler, accelerator, quality enhancer, mass-personalizer and an Artificial Intelligent (AI) partner. And in order to grow wiser and thereby avoid duplication of expenses, MKCL decided to forge several partnerships with organizations having complementary strengths so as to network all available resources such as infrastructural, financial, human, intellectual, educational, developmental, etc.

MKCL, therefore, has been continuously designing, developing and successfully deploying very imaginative, pervasive and appropriate applications of Information Technology for universalization of digital literacy, as well as for transforming education, governance and empowerment processes in particular and socio-economic transformative processes in general.



As a result, MKCL has attained a unique identity as an organization capable of universalization and integration of Information Technology in all walks of life.

MKCL, designs, develops and deploys state-of-the-art eLearning, eGovernance and eEmpowerment innovations, strategies, models, frameworks, technologies, products, processes, solutions and services at affordable costs for the common people. All of them are comparable to the best globally available options in terms of architecture, price to performance, outreach, customer delight and environmental sensitivity.

With its range of products and services in the field of eLearning, eGovernance and eEmpowerment, MKCL has emerged as a Fast-track IT Enabler / IT Integration Partner / Business Process Re-Engineering Partner and Knowledge Partner of the educational institutions ranging from private organizations, schools to universities as well as of the government, semi-government and community/voluntary organizations and mission mode project organizations.

#### **1.1.4 Equity Profile:**

The Government of Maharashtra and ten public Universities in the State of Maharashtra are among the initial equity holders of MKCL. While the Government of Maharashtra has 37.13% stake, the Universities have 33.91% and autonomous bodies, educational institutions, training centers, social organizations, SMEs, directors, ex-directors, employees, ex-employees and others have remaining 28.96% stake.

#### **1.1.5 Board of Directors:**

The Board of Directors of MKCL normally consists of three nominees of the Government of Maharashtra, two Vice-Chancellors from among the shareholding Universities, six eminent experts from various sectors of knowledge as the independent directors and the Managing Director serving as the whole-time director. The Board normally meets once in a quarter and reviews the quarterly performance of the company, offers feedback, decides on policies and offers guidance for the future development of the company.

#### **1.1.6 Strategy Advisory Committee:**

MKCL's Strategy Advisory Committee (MSAC) consists of eminent experts from various disciplines such as IT industry, industry, agro-industry, agriculture, environment, scientific research and development, educational technology, psychology, art and culture, finance, etc. All the Board members, as well as a few members of MKCL's Apex Coordination Team are selected by the Board are invitees to MSAC. MSAC meets normally once in six months and reviews the major accomplishments of the Company and offers strategic inputs for the future development of the Company.

#### **1.1.7 Financial Self-sustenance:**

Although the Government is a major stakeholder, MKCL does not receive any funding, grant-in-aid or financial assistance, loans or monopoly business contracts from the government. It has been established as an unaided organization. MKCL has been able to maintain an unbroken record of a self-sustaining, wealth-creating and ever-growing enterprise.

It has also maintained an unbroken record of paying decent dividends every year to the Government and other stakeholders right from its inception. So far MKCL has cumulatively paid Rs.2,784.77 million (Rs.278 .47 crore) to Government of Maharashtra in last 18 years by way of dividends, fees, taxes, etc. and Rs.2281.54 million (Rs.228.15 crore) to Government of India by way of taxes.

#### **1.1.8 Compliance to Standards:**

The Company is certified for **ISO 9001:2015 Certification, ISMS Certification (ISO 27001:2013) and CMMI Level 3 Certification.**

#### **1.1.9 Organizational Structure - MKCL Programs:**

MKCL's transformative agenda driven by its well-defined vision and mission is implemented by organizing its functions under various autonomous programs and allocating resources to them. These programs specialize in certain domains of expertise vis-a-vis customer requirements. They enjoy reasonable autonomy in their functioning. However, they maintain strong collaborative relationship and complementarity among themselves for the overall benefit of all stakeholders.

Intra-program and inter-program financial transactions are regulated and properly accounted regularly in order to monitor the sustainability and profitability of each individual program and of the company as a whole.

Each program consists of a set of certain time-bound projects and related continuing operations. Normally only such projects and operations are brought under one program which if coordinated together will ensure optimum resource utilization and maximum customer delight.

Each program has a Program Leader, Program Coordinator, Program Manager and Team Members.

The programs are divided into two groups viz. Enabling Programs for back-end work and Business Development Programs for front-ending with customers. Both groups of programs are enlisted below. The various functions under the Corporate Management Program are also enlisted below:

**Enabling Programs:**

1. Corporate Management Program (CMP)
2. IT Infrastructure Development and Management Program (IT Infra-DMP)
3. Customer Relationship Management Program (CRMP)
4. Learning Innovations Program (LIP)
5. Educational Transformation Program (ETP)
6. Artistic Creations Program (ACP)
7. Network Partnerships Management Program (NP-MP)

**Business Development Programs:**

1. Knowledge Lit Skills Development Program (KLSDP)
2. Knowledge Lit Careers Development Program (KLCDP)
3. Mission-Mode Skill Development Program (MMSDP)
4. Digital University Business Development Program (DU-BDP)
5. eGovernance Business Development Program (eGov-BDP)
6. International Business Development Program (I-BDP)
7. Products in New Exponential Technologies Business Development Program (ProNExT)

**Corporate Management Functions:**

1. MD's Office
2. CEO's Office
3. Corporate Matters, Legal Affairs and Statutory Compliances
4. Infrastructure Development, Center Management and Facilitation
5. Human Resources Development
6. Intellectual Resources Development
7. Materials and Services Procurement
8. Accounts and Finance
9. Audits
10. Stores
11. Tender Life Cycle Management
12. Government Interface
13. Interface with Joint Ventures
14. Quality Management Systems (QMS, CMMI, ISMS)
15. Publicity and Public Relations
16. Central Library
17. Archival of Records

In order to devolve powers and responsibilities, ensure participative democratization, collective thinking and decision making, improve transparency in the company and develop future managers and leaders, certain corporate and technical/ business functions are regulated/supported by Teams and Committees enlisted below:

**Teams:**

1. MKCL's Apex Coordination Team (MACT/APEX)
2. MKCL's Key Management Team (MKMT)
3. MKCL's Center Management Team (MCMT)
4. MKCL's Materials & Services Procurement Team (MSPT)

**Committees:**

1. Disciplinary Committee
2. Employee Recruitment and Remuneration Committee
3. Investment and Compliance Committee
4. Internal Complaints Committee
5. Infrastructure Development and Maintenance Committee



6. Network Partnerships Management Committee
7. Health, Safety and Welfare Committee (HSW)

## 2. MKCL's Business

MKCL's business is carried out under the seven Business Development Programs enlisted above. Activities of each of them are briefly described below.

### Knowledge Lit Skills Development Program (KLSDP)

#### MS-CIT - Bridging the Digital Divide:

The emerging information technology revolution has given rise to a globally connected society. This society is generating exceeding 90% of the new actionable knowledge digitally and collaboratively. The ability to use digital technologies is, therefore, critical for developing and accessing new actionable knowledge and accessing new careers and new development opportunities resulting out of the new knowledge.

Those who are denied the access to the information technology shall, thus, be deprived of the opportunities of the new world and shall face the crisis of Digital Divide in addition to economic divide, social divide, gender divide, etc.

In order to bridge the digital divide, bring the common people closer to the ethos and opportunities of the knowledge society and knowledge-led economy and to bring the real fruits of Information technology to the masses for their survival, development and empowerment, MKCL conducts **Maharashtra State- Certificate in Information Technology (MS-CIT)** course in the state of Maharashtra, since 2002. MS-CIT attempts to propagate IT Awareness, IT Literacy, IT Competencies and IT Applicability among the common people to bridge the Digital Divide and the resultant Knowledge Divide and Development Opportunity Divide. MS-CIT has thus emerged as a gateway to careers and global developmental opportunities to the common people.

The curriculum of MS-CIT has been structured on following ten pillars of **most essential digital skills** for smart use of not only laptops and desktops but also smart phones and other mobile devices:

1. Basic IT Awareness
2. 21<sup>st</sup> Century Daily Life Skills
3. 21<sup>st</sup> Century Citizenship Skills
4. 21<sup>st</sup> Century Study Skills
5. 21<sup>st</sup> Century Office Skills
6. 21<sup>st</sup> Century Scripting Skills
7. Smart Typing Skills
8. Cyber Security Skills & Netiquettes
9. Ergonomics and Go Green
10. 21<sup>st</sup> Century Artificial Intelligence (AI) Skills

Even though the MS-CIT curriculum is expressed in the form of skills, the curriculum unfoldment covers knowledge, attitudes and values in addition to skills.

The implementation of MS-CIT is not only a mission to bridge the digital divide but also a large-scale and unique educational transformation. It has been the result of continuous blend of pedagogic innovations, technology innovations, partnership innovations, entrepreneurial business innovations and social accountability innovations. This is a unique example of blend of five mega-trends of 21<sup>st</sup> century viz. digitization, virtualization, mobilization, Mass-Personalization and globalization.

During last 18 years, more than 15 Million (1.5 crore) Learners have registered themselves for this course and have become smart users of IT. This is perhaps the world's highest record in the field of bridging the Digital Divide among the masses and promoting Digital Citizenship among them. MS-CIT brand has thus become synonymous with digital empowerment of common people of Maharashtra in their personal, professional and social life.

MS-CIT Learners include school students and college youth, job readiness seekers and first time job aspirants, next/better job seekers and second inning aspirants, parents and teachers, employees and officers from government/semi-government sector, private sector, cooperative sector, voluntary/social sector, doctors and engineers, architects and designers, lawyers and accountants, writers and poets, artists and craftsmen, journalists and media persons, professionals and businessmen, entrepreneurs and intrapreneurs, farmers and workers, women and senior citizens, activists and representatives of public, etc.

Government of Maharashtra has also issued a Government Resolution stating that MKCL's IT literacy course viz. MS-CIT, is also one of the essential eligibility criteria for recruitment to the posts of Grade A, Grade B and Grade C in all the Government Departments and semi- government organizations in the Maharashtra state. Government of Maharashtra has

given equivalence of more than 80 courses to MS-CIT. However, MS-CIT has been the preferred choice of Lakhs of Learners every year.

MKCL's IT literacy course has many versions outside Maharashtra such as BS-CIT in Bihar, HS-CIT in Haryana, KLiC-IT, MICIT in Saudi Arabia and Egypt, OS-CIT in Odisha. All these courses put together have enrolment exceeding 2 million (2 crore) learners over last 18 years.

**MKCL's Network of Authorized Learning Centers (ALCs) - Expanding the Outreach:**

In order to facilitate such a large number of MS-CIT learners in various parts of the state, MKCL has established about 5000+ Authorized Learning Centers (ALCs) under its unique public-private-community partnership framework. With the help of these network partners, MKCL offers wide accessibility of its services to the masses with uniform coverage in metros, cities, semi urban areas as well as rural, tribal and hilly areas of the state. In order to improve the outreach, a few temporary satellite centers are also added to the network for the convenience of larger number of learners registering in the summer vacation.

These 5000+ ALCs are equipped with state-of-the-art computing infrastructure on LANs with their own 5000+ proxy servers backed up by MKCL's formidable, scalable and secure server farm infrastructure on cloud with server virtualization and dynamic load balancing technologies and about 75,000 personal computers at ALC's. These computers are equipped with state-of-the-art operating systems, antivirus software, application software and broadband internet connectivity. MKCL has also installed Bio-metric finger-print recognition devices at all the ALCs for learner identity and attendance management. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state-of-the-art web-cameras for operationalizing the MKCL's evidence-based learning and assessment management framework viz. **ERA i.e. eLearning Revolution for All and mobile app for Learners.**

These home-grown and hi-tech software frameworks help MKCL Network emerge as one of the largest and most reliable evidence-based Online Learning and Testing Facilities. All the machines in the network are managed online and supported remotely through MKCL's IT Assets Management Framework viz. WORM and Unified Call Assistance and Support Tracking (UNICAST) system. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state of the art head phones for effective eLearning experience.

The paperless management of this world's largest network of IT learning centers is facilitated by MKCL's home-grown web based software framework- viz. SOLAR. This framework seamlessly facilitates a complex management of inter-related learner administrative life-cycles, center life-cycles, channel partner life-cycles and course/ business activity lifecycles including the management of financial transactions through 5000+ net banking accounts and ALC wallets.

Apart from marketing, promotion, counselling, sales and academic services, the network partners have regularly participated in common marketing fund contribution for optimization of marketing expenses while avoiding duplications and expanding the outreach. All the network partners ensure compliance to brand specification guidelines so as to achieve MS-CIT Brand Persistence and Brand Enhancement. All the network partners are also regularly participating in frequent online polls for taking various crucial business and academic decisions in an open, transparent, democratic and participative manner.

MKCL is constantly and carefully nurturing this network for last 18 years. As a part of the nurturance activities, PPF Awards are given to consistent performers of the decade. Similarly, all 5000 ALC coordinators have been covered under **Medical Insurance and Accident Insurance**. In addition to these welfare measures, many academic and business excellence awards have been given to deserving ALCs. Microsoft and Adobe licenses have also been distributed to eligible ALCs. All these initiatives of MKCL have built an atmosphere of confidence and mutual trust between MKCL and 5000 ALCs spread over the entire state.

A rigorous definition of ALC Model has been synthesized through series of discussions and brainstorming sessions at various levels. The continuous, comprehensive and online assessment of ALCs is carried out on these critical performance indicators and sub-indicators in each financial year. Accordingly, Model Centers are selected based on various performance criteria by using MKCL's Accreditation Framework.

**SOLAR on Mobile App:**

SOLAR is MKCL's web based Framework which enables MKCL's Mega Network of ALCs and other network partners all over the world. This framework ensures seamless and paperless business management through following life cycle management modules:

1. Center Life Cycle Management
2. Learner Life Cycle Management
3. Course Life Cycle Management

SOLAR on Android Mobile App was released in December 2019 to help all MKCL's ALCs to track their business on the go. This highly appreciated App consists of:

- Enquiry Management
- SOLAR eWallet Management
- Learner Certificate eCopy
- Customized Marketing Designs
- Learner Communication through WhatsApp & SMS
- Admission Dashboard
- Pending Task Dashboard (आरसा)
- Instant Meeting Notifications

## Center Visit App:

Operating a mega network requires real time data and precise feedback of activities happening at the ground level. Evidence based activities help in decision making. A Center Visit App having the following features has helped immensely.

### 1. Monthly Center Visit by Strategic Business Unit (SBU) Coordinator

- a. Each SBU Coordinator visits each ALC under his/her jurisdiction every month
- b. SBUs communicate various new business updates to the ALC during visit and also capture the detailed feedback through this App
- c. The proof of the visit is captured through photographs and pre-defined questionnaire.
- d. Geolocation of the SBU is also captured to validate the authenticity of the actual visit

### 2. Marketing Events by Marketing Interns and ALCs

- e. Marketing Interns have been appointed at each district level to conduct marketing events for ALCs. The conduct of these events are captured through the App thereby helping track the performance of each marketing intern centrally.
- f. ALCs also conduct various marketing events locally that are captured through center visit app. It has helped MKCL to track ALC-wise performance and reward them appropriately:
  - i. ALC एक पर्याय अनेक
  - ii. Double Booster Scheme
  - iii. HSC-SSC Exam Center Flyer Distribution

### 3. Inspection of New Center Registration Applicants

- g. Visit to applicant's place who have expressed in interest in applying for authorization
- h. Capturing evidences of center infrastructure at declared location
- i. Remote Verification of center infrastructure based on the evidences captured through center visit App

## MKCL's ERA - Taking eLearning to the Grass-roots:

MKCL's home-grown eLearning platform viz. (ERA eLearning Revolution for ALL) is a light-weight Learning Management System (only 9 MB). ERA contains following elements:

- Course Designers' Paradise - Distributed Factory for eContent Development
- eContent Distribution and Management System
- eLearning Environment and Process Management System for Learners' learning Life-cycle Management.
- eAssessment Management System
- Instant eEvaluation and eCertification System for diagnostic, formative and summative assessments and
- Learner Performance Analytics for further improvements in content, environment and processes deployed for learning and assessment.
- LiveDemy for providing Online learning globally for courses developed by MKCL.

MKCL's ERA perhaps, is the largest eLearning facility with largest user-base in India operating in a stable manner at the grass-roots for over 18 years. It has overcome the barriers of long power outages on one hand and traditional and difficult-to-break teacher-centric mindsets on the other. ERA platform today is not just accepted but highly sought after by millions of learners across all age groups including senior citizens because of the unique underlying pedagogy/andragogy of Inform-to-Perform and Perform-to-Transform approach as against the traditional emphasis on only inform type of teacher centric education system. The success of ERA lies in the uniqueness of integrated unfolding of Learning Content, Learning Process and Learning Environment.

Owing to the implementation of technologically facilitated and personalized but sequential and guided Process of Learning, ERA has also emerged as a framework for global and local monitoring of every step of academic progression of millions of learners. The vast amount of continuously logged and securely maintained academic progression data of learners (with the IP addresses of the computers being used by them at that time) has emerged as a rich and trustworthy repository for Big

Data Learner Analytics, research, reporting and continuous improvement of quality of learning and assessment. It has also improved the traceability, verifiability, falsifiability and overall transparency in learning and continuous assessment of each learner across the state-wide network.

The uniqueness of MKCL's IT Literacy and Functionality skill building approach is in its emphasis of not just imparting differential skills but in its periodic punctuation of hundreds of non-obvious "Take-a-Challenge" situations and then imbibing integral skills with global best practices. The learner is then exposed to several real-life "Take-a-Bigger Challenge" situations and "Take-a-Grand Challenge" situations with ab initio step-by-step creation of hundreds of simple and complex socially useful and productive outputs by gradually using and mastering preliminary as well as advanced features of various office tools and other IT applications.

#### **MKCL's innovations in eLearning - Enhancing Self-Learning, Self-Paced Learning & Self-Path Learning:**

1. Parity with various international standards such as Microsoft Standards, International Computer Driving License (ICDL), European Computer Driving License (ECDL), National Educational Technology Standards, ISTE Standards, Global Digital Literacy Course Standards, etc.
2. Sequence of learning breaking the traditional boundaries of tool-based topics.
3. Situation based content in the form of hundreds of real life situations.
4. Fork and Join Construct in sequential learning to offer in parallel the different case studies (but containing same concepts) for different interest groups among learners.
5. **Guided eProcessfolio feature in ERA:** Previously the learners used to develop socially useful outputs by using software tools and publish them in their ePortfolio in ERA. Now they can record the complete process of development of the socially useful outputs along with their voice and video commentary guided by the system along each step performed and can publish it on YouTube server. As a result, the learner's performance can be viewed and assessed by anybody from anywhere and at any time wherein one can see learner's screen showing the step-by-step process of development of output along with a small window on bottom right corner (picture-in-picture/PIP mode) showing the video of the learner while s/he was developing that output and simultaneously giving commentary on how s/he is developing that output. Thousands of Learners have published their eProcessfolios on YouTube for evidence-based assessment by potential employers.
6. **BlackBox Monitoring Tool** which stores snapshots of screen and learner at regular time-intervals in the form of evidences of activities of the learner inside the computer and outside for deciding upon his/her presence in lab and ethical participation in assignments and tests. A collage is automatically created based on the snapshots captured which is further used to analyze each snapshot using the face detection algorithms.
7. **Do-It-Yourself (DIY)** facility to help learners learn constructively and freely and yet rendering his/her performance observable in the background and admire him or guide him contextually.
8. **Ask Live Expert (ALEx)** facility with a 5 stage gradual support system to remote learners through eLearning framework.
9. **Course Designer's Paradise:** MKCL has developed an in-house Learning Content Management System (LCMS) which uses an Artificial Intelligence (AI) based engine for smart course creation and content integration in the course from a repository of Re-Usable Learning objects (RLOs)
10. **Clicker Based Classroom Interaction** which helps in increasing participation of every learner in a class-room with a higher degree of engagement. It provides an attendance-cum-learning tracking mechanism in a class-room. Each learner is required to bring an old mobile phone without sim card and internet for every class-room session. With MKCL's app, the phones are repurposed as clickers. They are connected to the teacher's laptop by a local Wi-Fi access point in a classroom. This app prompts the teacher/learning facilitator to avoid his/her continuous monologue in a class-room session by frequently punctuating his/her content delivery with intermittent questions to continuously assess the learning of the participants, say after every 5 minutes. The clicker responses of all learners to all the intermittent questions posed by the teacher/learning facilitator are captured, analysed and presented online to the entire class on a screen as well as on the screens of individual mobile phones of the learners used as clickers. It helps the teacher improve the quality of his/her academic delivery in response to learners' performance. At the end of the classroom session, the system gives learners' and teacher's performance data for further analysis and improvement by both.
11. **Link/Explanatory Videos** are given as a part of classroom content for each activity in the course for invoking curiosity in the minds of learners and improve engagement. These videos have received an immensely positive response from the learners as these videos not only help learners to connect themselves to the learning object they are about to learn but also gives them a guideline format about how to present oneself while speaking to someone.

- 12. Self-Path Learning:** It has been specifically designed keeping in mind the diversity of the learners doing the course. This enables learners to build upon their knowledge in the form of small skill sets and at the same time gives them the flexibility to choose the learning path, learning as and when they wish to and how they learn thereby allowing the learners to choose more appropriately challenging activities in the course.
- 13. Learning Assistant (LA):** LA has been specifically designed to bring in the best of course content available on the Internet across the globe. Based on the specially curated Table of Content, Learning Assistant uses smart Artificial Intelligence Technology to search the content available on the Internet and map it to the table of content in real time.
- 14. Freelancing Videos:** If one goes around the world of Freelancing, there is a sea of opportunities available around the globe that will give the youth the opportunities to work at their own will that will provide justice to the skills one possesses and also an earning opportunity at the same time. However, the youth is deprived of this due to lack of awareness about the opportunities underlying the freelancing world. To introduce the learners of MS-CIT and KLiC to the Freelancing opportunities, a series of 10 videos have been prepared to guide learners right from what is freelancing, how to search for a project on freelancing portal, how to bid, how to present yourself on the gateway, tips to bag a project, etc.
- 15. Vacation & Non-Vacation batch specific Learning objects development:** Keeping in view the learners that take admission for MS-CIT course round the year, the learners have been categorized under vacation batch, i.e. mostly school & college goers and non-vacation batch, i.e. graduates, Professionals, first-time job-seekers, etc. The content is customized to suit the needs of each category.
- 16. Guided Do It Yourself (GDIY):** As goes the saying, Practice makes a man perfect, it is imperative for a learner to do actual hands-on after learning a particular skill in MS Office application. To ensure this practice and hands-on, a solution was provided to learners in ERA in the form of Guided Do It Yourself wherein as and when a learner does his learning on any case study on Office applications, he/she gets an assessment to perform the skill in the actual application on the system. ERA guides the learner if he/she is unable to perform or if he/she is performing incorrectly. Guided Do It Yourself ensures that learner learns and correctly performs the skill.
- 17. Kushal Yuva Program (KYP) Single Course:** KYP comprises of 3 different parts, i.e., Digital Skills, Language Skills & Soft Skills and for a learner to be able to be KYP certified he/she has to complete and pass the final examination for all these three skills. Earlier these three were distributed into different courses, and so there was no contextual reference within these three courses. Now to provide these contextual references across these three courses, a single course was readied wherein each of these three skills are interwoven in the course, and so this helps a learner to understand the learning in the context of Digital Skills, Language Skills & Soft Skills.
- 18. MacOS & iOS compatible OES:** MKCL's Online Evaluation System (OES) was earlier restricted to Microsoft Windows Operating System (OS). New development has made it possible to conduct examinations on Apple MacBook and iPad.
- 19. Item Response Theory (IRT):** Item Response Theory (IRT) is a paradigm for the design, analysis, and scoring of tests, questionnaires, and similar instruments measuring abilities and attitudes. It is a theory of testing based on the relationship between individuals' performances on a test item and the test takers' levels of performance on an overall measure of the ability that item was designed to measure. Several different statistical models are used to represent both item and test taker characteristics. OES has now implemented the IRT. Aesthetically rich reports with graphical representations of the statistical data and findings of the analysis done on the post exam response data of the exam taker gives an analytical view to the administrators, exam setters alike.

#### **Learning Facilitators - Enriching High-Tech Learning with Human Touch:**

Over a period of time, our **25,000+** trainers /learning Facilitators have realized that they do not get displaced by eLearning technology provided they play a creative role of an interactive coach where this technology reaches its limits. This offers them more meaningful and satisfying co-existence with technology and sets them free from traditional teaching and assessment drudgery. This also makes overall learning process more affordable and self-replicable. A creative involvement of more than **25,000** certified and periodically re-certified trainers/learning facilitators helps MKCL's education system assume a desirable blend of **high-tech with human touch**. The eLearning technology and the human touch of learning facilitators together achieve incredible results!

The Learning Facilitators are rigorously trained in creating eLearning content on locally relevant case studies of applications of various IT tools to be added in curriculum.

#### **Samvadak Mitra:**

We at MKCL believe in 'Transformation' and it starts from within. While reaching up to 8 lakh learners each year with the help of 5000+ ALCs with 25,000+ staff, the Network's mind set plays a very crucial role. Rational thinking, on the part of every concerned individual helps to serve our customers even better.

To develop and intensify rational thinking and optimistic behavior, MKCL decided to have trainers in our fleet.



Appointment of four 'Samvadak Mitra' was the starting point of this expedition. We have screened and on-boarded highly qualified and well experienced Psychology Experts. With systematic induction program we acquainted them with present situation. We designed a plan to reach out to our 2000 ALCs first and then to offer personalized guidance to the interested Network partners.

So, the first part of this mission was to sensitize our ALCs about REBT (Rational Emotive Behavior Therapy). We started to conduct these trainings at 8 Regional Training Centers under the campaign 'Mission Happiness'.

We followed these trainings with 'Samwad-Satra' where personal interviews were conducted to understand their thoughts and actions, risk taking abilities, adaptability to change, service orientation and other significant competencies for personal and professional growth.

We continuously measure the success of this program from the feedback calls/emails/meetings with the participants and shared experiences.

#### **KLiC - Enabling youth for Knowledge-Lit Careers:**

KLiC series of courses serve as a bridge from college to careers. MKCL, under its KLiC brand, offers employability skills development modules as KLiC Certificate Courses at 2500+ ALCs in the state.

An aesthetically rich and engaging content of KLiC courses has highly engaging content and is full of animations, videos, various work-based case studies, mini-projects, mock aptitude tests, resume writing, interview practice, etc.

#### **The various sectors covered through KLiC courses are:**

1. Financial Accounting, GST, ERP
2. Banking, Financial Services and Insurance (BFSI)
3. Retail Management, Selling, Customer Service
4. Marketing, Tele Marketing, Tourism
5. Business Process Management (BPM/BPO), Call Center, Back Office, Customer Support, Logistics
6. Advanced Office Productivity Tools
7. Small Business Management, One Person One Company Management
8. eEducation, Instructional Designing
9. Creative Digital Arts, Desktop Publishing, Illustrations, Graphic Design, Image Editing, Video Editing, Web Designing
10. AutoCAD, 3D Modelling, 3D Texturing, 3D Lighting, 3D Compositing, 2D & 3D Animation
11. Scratch Programming, Game Designing
12. Programming and Software Development, Mobile Apps Development, Web Development, Software Support
13. Hardware and Networking, IT Help Desk, Troubleshooting, IT Assets Management, Hardware Support, Network Support, Desk Top Support, Security Support, Windows System Administration
14. English Language Skills
15. Communication Skills in English and Hindi
16. Soft Skills and Life Skills for Workplace Readiness
17. Personality Development

The focus of KLiC Courses is on knowledge-based skills for career development in diverse areas of services sector.

The KLiC Learners enjoy the benefits of MKCL's unique eLearning environment and MKCL's role-based and work-centric (and not book-centric or information-centric) vocational education approach in ERA. During the course, the learners are trained to produce **Socially Useful and Productive Work** (SUPW) as enshrined in Mahatma Gandhi's "*Nai Talim*". The learning process is so designed that it begins with work, learner derives knowledge from work and then applies that knowledge to



produce wholesome work. Thus, the learner development continues on an ever evolving upward spiral. KLiC Courses try to develop earning potential through **(L)earning!**

These learners are assessed by using **MKCL's Evidence-Based Assessment System** which enables assessors to evaluate the skills of the remote assesses. This upward spiral continues to take the learner to higher levels of excellence and enhances his/her employability, knowledge, confidence and self-esteem. KLiC Courses are recognized by the Yashwantrao Chavan Maharashtra Open University (YCMOU). So far more than 3.75+ Lakh learners have undergone various KLiC Courses.

### **Training Workshops for ALCs :**

The Network partners are our brand ambassadors. The experience delivered at these MS-CIT ALCs plays crucial role in selling our other brands like 'KLiC Courses'.

With this thought, we trained our ALCs for KLiC Courses so as to make them confident about the continuously evolving series of KLiC courses. The basic objective of this training was to groom our ALCs technically and academically. We started this "Train the Trainer" program with the appointment of well qualified trainers for respective KLiC tracks at our eight Regional Training Centers.

ALCs were provided training at Regional Training Centers through a 1/2/3 days' program depending on the requirement. Over 2700 + ALCs have undergone the training on the various academic tracks being offered under the KLiC brand. Training is also being provided using Facebook Live sessions as well. This training has resulted in increase in KLiC admissions significantly.

### **MS-ACIT (IT for Teachers) - Developing 21<sup>st</sup> Century Teachers**

Empowering Teachers with 21<sup>st</sup> Century teaching skills is main purpose behind this initiative. Offerings include the skills which will transform a School Teacher to eSchool Teacher with effective and efficient use of Information and Technology. This course aims to breaks open the shackles of restricting themselves to being a "Domain Expert". It opens the possibility of allowing the teachers to perform additional roles required of a 21<sup>st</sup> century Teacher.

The course gives exposure to different digital skills and new ways of Teaching- Learning modes using digital technology. The course is designed in order to make sessions interactive and interesting. The engaging eLearning technology not only makes the sessions interactive and interesting but also makes them confident in using these eTeaching methodologies.

Learners are introduced to various features and tools like sticky notes and snipping tool, connecting to Wi-Fi, connecting external devices to laptop, connecting projector to laptop and tablet, flipping tab based classroom, engaging students in question answer sessions, engaging students with exciting tools, using class debates to foster students' engagement, creating groups on Google Classroom, sharing large files with students, creating video from PowerPoint, changing audio-video format online, watching TED Talk, enrolling in EdX courses, searching free online courses, learning foreign language online, etc.

### **The empowered Teachers can perform following activities:**

- Online polling related to various subjects
- Use of Google calendar, Google classroom to make online note of classroom activities
- Take online test of the students,
- Copyright free informative image and video,
- Make PowerPoint presentations on various educational topics,
- Make quizzes in PowerPoint, Google Slides,
- Conduct sessions on Virtual Classrooms, Google Plus Community of class, class blog, Google Site,
- Online crosswords, worksheets, engaging video, YouTube channel, infographic, custom Google Search Engine, Google Alert, curated online content, Google Form, digital notes using Google Keep

### **MKCL's Mastering Series:**

MKCL offers a truly online as well as an ALC-based quasi-online mock test series with instant online assessment and automated personalized feedback service under its brand -viz. **MASTERING** for competitive examinations preparation. It is a facility available almost anytime, anywhere.

These mock eTests series have chapter-wise tests, combo-tests as well as full paper tests for various competitive examinations for admissions and recruitment such as **CETs for engineering, medical, GATE, MPSC/UPSC, Banking Selection, National/ State Teachers' Eligibility Tests, Group B, C selection, Computer Typing, First year Engineering Students, Recruitment Tests for Police/ Gramsevak/ Talathi, Mahabharati Preparation Test**. There are tests for 5<sup>th</sup> & 8<sup>th</sup> standard school students preparing them for Scholarship Exam, MTSE, NTSE, etc.

The Mastering series of tests helps students better prepare because of Personalized Feedback, Chapter-wise tests and Multiple Choice Question (MCQ) Tests giving instant results. The questions are set by experts in the field.

Mastering series is not just a low cost but a high academic quality offering. Each multiple choice option in the answers

of thousands of questions is a well-designed conceptual distractor rather than an option being either obviously correct or arbitrarily wrong. All options are non-obvious, all of them appear to be correct and the wrong ones among them point out the conceptual gaps of the learners erroneously selecting them. The learners can, therefore, be counselled by the system for improvement by providing necessary academic inputs. The test series is thus not just formative but diagnostic and corrective as well.

### **Knowledge Lit Careers Development Program (KLCDP)**

Knowledge Lit Careers Development Program is working towards bridging the gap between industry and academia by developing industry and job ready educational products. Following are the notable deliverables produced in the financial year 2019-20 by the KLCDP team

#### **Job Readiness KLiC Courses**

KLCDP team managed to launch two KLiC Courses namely, KLiC Retail Management and KLiC BFSI. These courses are developed to fill the entry level manpower requirement in the Retail and BFSI sector.

The KLiC Retail Management and KLiC BFSI courses are designed to suit the manpower requirement of the industry. KLCDP Team has actively researched and surveyed a huge number of companies to capture the requirements and identify the skill gaps. The courses are developed to address these exact skill gaps by providing high quality eLearning video content and assessments, as a part of the course. KLCDP team not only researched and developed the course, but also trained 300+ faculty members in Retail Management.

One of the allied innovations KLCDP team propagated is the delivery of the courses in a classroom format using the mBEST framework. This allows the courses to be delivered in a wide variety of settings other than a conventional Authorized Learning Center.

#### **KLiC Retail Management**

This next generation KLiC Course is targeted towards opportunities in the ever growing Retail sector in India. KLiC Retail Management is geared towards upskilling the youth for the job roles in the Retail sector such as Retail Sales Associate, Retail Cashier, Inventory Associate, and other suitable front and back end roles. In addition to this, this course also provides actionable insights to students in order to start or manage their retail business. KLiC Retail Management not only teaches about starting a brick and mortar retail store, but also provides knowledge on how to venture into the world of ecommerce - from partnering with e-commerce marketplaces, to starting own online store.

#### **KLiC BFSI:**

KLiC BFSI is targeted towards entry level job opportunities in the IT disrupted banking and financial service sector. With the changing nature of the BFSI industry, a lot of service sector opportunities in the sector have emerged. KLiC BFSI is geared towards upskilling the youth for the sales oriented job roles such as Insurance Agent, Mutual Funds Consultant, Banking Products Sales Associate, etc.; and also towards the operations (back office) oriented job roles such as Front Office Executives, Back Office Executives, and Assistants to BFSI service providers.

#### **Job Readiness:**

Research study by Broadband Commission, UNESCO and International Telecommunication Union (ITU) on Digital Skills for Life and Work have concluded that 90 % of jobs require some level of digital skills.

Researches at Cambridge have underlined the critical importance of English Language Skills for job acquisition in view of unequivocal preference for candidates possessing these skills by 90% employers even in non-native English-speaking countries.

Research conducted by Harvard University, the Carnegie Foundation and Stanford Research Center have concluded that 85% of job success (acquisition and retention) comes from having well developed soft skills and people skills and only 15% job success comes from technical skills and knowledge i.e. hard skills.

#### **New Collar Jobs:**

The fourth industrial revolution is gathering momentum. We are witnessing a world-wide consolidation of certain megatrends such as Connected Society, Ultra-automation, Artificial Intelligence and Robotics-Penetration, Digitization, Digitalization, Digital Transformation, Mobilization, Virtualization, Ambient Computing, Self-organization, Mass Personalization, Social Mediation, De-intermediation, Businesses based on creative disruptions, Uberization / Business Aggregation, Online Freelancing, Geo-Locationing, Unique Identification, Productization of Knowledge and intensive Knowledgeization of Products and Services, etc. More than 3 billion people on the planet are living their daily lives increasingly in emerging ecologies such as smart phone ecology, smart devices/ smart systems ecology, sensor ecology, new media ecology, social media ecology, etc.

These emerging megatrends and emerging ecologies are posing new challenges as well as opening up new opportunities for employment or entrepreneurship for the youth in 21<sup>st</sup> century. It is, therefore, necessary to develop urban as well as

rural youth in smart use of new and inexpensive digital tools and technologies as well as in communication skills, soft skills, people skills, social intelligence with adaptive thinking and new collar job skills so as to help them succeed in new careers by riding over these megatrends and thriving in these ecologies.

### **Green Collar Jobs:**

A clean green climate is the need of the hour. Environment damage and its harsh world-wide impact is seen throughout the year. A strategy to restore, provide relief and then reform the planet, needs to be adopted to save the planet. This can be done by creating a fleet of sustainable green collar jobs such as - Green Collar Jobs Profiling, Listing of ideas for Green Economy/Green Livelihoods/Green Collar skills etc. Efforts are taken to develop and apply a sustainability framework through field trials and testing of select ideas. Business Models around these ideas and long-term action research in the area of Green Livelihoods, Jobs and Economy are being studied on a regular basis.

### **MKCL Finishing Schools - Mainstreaming Work-Based Learning:**

MKCL since 2013-14 has been working on a Work-based Learning model through MKCL Finishing Schools (MFS). On October 17<sup>th</sup> 2019, Maharashtra Knowledge Corporation Ltd. and Indira Gandhi National Open University signed an MoU for the degree of Bachelor in Business Administration (BBA) in Services Management. MKCL in partnership with various leading corporates started implementing '**Work- based Learning**' Degree Programs recognized by Indira Gandhi National Open University. The first batch of Bachelor in Business Administration in Services Management commenced on 1<sup>st</sup> Feb 2020. It is available for every eligible student across India. This is indeed a significant milestone towards transformation of open and distance education for Indian youth.

This is an innovative 'learn while you earn' type of degree program in which normally students from rural and economically disadvantaged sections of the society are selected on merit basis and given internships in companies to perform roles having service profiles. The interns acquire knowledge through actual work in the company and are taught to apply knowledge to make the work more profound and wholesome. Their work performance receives work credits which contributes towards 50% weightage in the degree program. Learning is concretized through reflection sessions which are an integral part of the educational process. This has proven to be very effective for the students to derive knowledge from the work done during the day.

MFS Work-based Learning model attempts to solve the problem of attrition in the corporates, problem of unemployment among the youth, problem of relevance of degree program in the universities vis-à-vis the needs of industry and problem of social unrest among the educated but unemployed youth as faced by the government and society. In this model, **Nai Talim i.e. Work based Learning Management Framework** is successfully deployed for all stakeholders comprising of University, Students, Mentors and Industry partners. Students can access and read eBooks, access eLearning content in both online and offline mode. Mentors can record interactions held with students along with necessary evidences and give learning inputs to students in framework. Industry partners and University can review and evaluate student eWorkbook submissions.

The students in Maharashtra can enroll for a B.Sc. (Computer System Administration) work based degree program offered by Yashwantrao Chavan Maharashtra Open University.

### **MKCL's Diploma in New Exponential Technologies Development Program (DNExT):**

DNExT stands for Diploma in New Exponential Technologies. Exponential technologies are the technologies that are going to grow exponentially and will be in high demand. To bridge the skill gap of upcoming developers and making their career transition into the exponential technologies MKCL has designed the DNExT course. Its unique methodology delivered by industry experts has been designed to make a student ready for the industry by exposing him/ her to real live projects during the tenure of the course.

#### **DNExT first batch**

The first DNExT batch started in August 2019 with 52 trainees seated in two training centers of MKCL. The first phase of the training lasted for 3 months and focused on understanding the domains alongside technologies listed below:

#### **The topics covered in Phase 1:**

- VS Code Editor, Git, GitKraken, Gitlab
- HTML, CSS, Bootstrap
- JavaScript
- Database introduction and MongoDB
- MySQL
- Vue.JS
- GoLang

The second phase consisted of training in Python and Machine Learning and hands on experience of working on mega projects was given.

## **MKCL eSchool**

MKCL's Educational Transformation Program (ETP) ensured that School transformation is achieved through various offering such as MKCL eSchool, Maharashtra Olympiad Movement (MOM).

MKCL's eSchool has been prepared with an intent to drive a student's learnability through assessment. It exposes the student to challenging questions that drives their intellect. Questions are innovatively drafted forcing the student to think hard. In addition to the school subjects, MOM makes it easy to understand if the student has ability to apply the knowledge gained in real life, and whether he/she can use the information acquired in one subject while understanding the other subjects.

MKCL eSchool features Strong Assessment Content having more than 13,000 questions, Student Process folios, English conversation practice, Study skills, Edutainment, Exploriments, Repository of eBooks, Preparation for competition exams, Project preparation, Unit test certificates. It also features learning progress report for Parents ensuring active participation by them.

MOM offered state level competitive examination, examining the academic quality of the students of SSC Board from 5th to 9th standard from Marathi, Semi English and English medium.

## **Mission Mode Skills Development Program**

### **MKCL emerging as a Knowledge Partner for State Skill Development Missions:**

In recent past, various state governments in India have established their respective Skill Development Missions for skilling, reskilling and up-skilling the youth on a large scale and in a time bound manner. In view of its long experience and expertise in the field of managing skill impartment on a state-wide scale by developing and successfully deploying software frameworks for skill development in management and administration, eLearning, eAssessments and placements, MKCL is emerging as a

- Knowledge and Strategy Partner in Skill Development Mission
- Comprehensive Software Framework Provider
- High Quality eContent Provider for Learning and Assessment
- eLearning Management Service Provider
- Single Point Nodal Agency for establishing and operating a state-wide network of Skill Development Centers under the Public-Private-Partnership Mode
- Implementation and Monitoring Support Partner

**MKCL's unique and proven as well as configurable and customizable frameworks for following tasks are proving to be very useful for skill development missions:**

- Skill Development Mission's Portal Creation and Management
- Skill Development Schemes/ Programs Life-Cycle Management
- Skill Development Service Providers' Life-Cycle Management
- Skill Development Course-Development Life-cycle Management
- Skill Development Course-Administration Life-Cycle Management
- Skill Development Course-Academics Life-Cycle Management
- Skill Development Center Life-cycle Management (Registration to Renewal/Closure)
- Skill Development Center's Continuous Assessment and Accreditation
- Candidate's Administrative Life-cycle Management (Admission to Placement)
- Candidate's Evidence-based eLearning Life-cycle Management
- Candidate's Evidence-based eExamination and Certification Management

**In addition to the software frameworks and eLearning content for skill development in various sectors, MKCL's knowledge base expressed in the form of following models is being recognized as a valuable resource by the skill development missions:**

- Business Models based on Public-Private-Community Partnerships synthesizing the desirable features of Government, Private and Social Sectors
- Governmental Training and Development Schemes Management Model
- Innovative Models for Creation of State-wide Networks of Skill Development Centers (SDCs)
- Brick and Mortar Infrastructure Development and Maintenance Models for SDCs
- Computing and Communication Infrastructure Specification, Provisioning/Sourcing and Maintenance Models for SDCs
- Model for Remote Installation, Commissioning and Maintenance of Software Frameworks at SDCs
- Model for Software Licenses procurement and Distribution to SDCs and Avoidance of Piracy
- eLearning Content Development and Distribution Model
- SDC Assets Management Model
- SDC Human Resource Training and Development Model
- SDC Human Resources Welfare Model
- SDC Support and Grievance Redressal Model
- Model for Change Management

- Supply Chain Management Model for Study Material, Promotional Materials, etc.
- State-wide Network Coordination Model
- Branding, Marketing, Promotion, Events Management and Publicity Model
- Parent Counselling, Candidate Profiling, Counselling and Career Guidance Model
- Candidate Registration and Enrolment Model
- Fee Collection and SDC Performance-based Fee Share Distribution Model
- Revenue Recognition and Reconciliation Model
- Academic Delivery Model
- Learning Progression Tracking and Monitoring Model
- Attendance Tracking, Continuous Assessment, Summative Evaluation and Certification Model
- Placement Assistance and Post-Placement Tracking Model
- Candidate Relationships Management Model
- Model for SDCs' Statutory and Regulatory Compliances
- SDC Vigilance, Disciplinary Actions and Dispute Resolution Model
- SDC Quality Management, Assessment, Accreditation and Monitoring Model
- Performance-based Rewards Distribution Model
- Financial Sustainability Measurement Model
- MIS, Analytics, Business Intelligence and Decision Support Model
- Data Security, Data Archival and Referral Model and many more...

Based on last 18 years of conscious effort of **knowledgizing the products and processes and productizing the knowledge** in the form of above mentioned models and their software incarnations, MKCL could become the successful bidder and has been recognized as Knowledge Partner of **Bihar Skill Development Mission (BSDM) of the Government of Bihar**.

With the help of MKCL, BSDM is implementing two programs viz. Domain Skilling Program wherein the hard skills course approved by various sectoral skill councils are implemented and Kushal Yuva Program ('KYP'), a flagship program of Bihar Government under its '**Saat Nishchay**' (Seven Resolves).

This year the KYP program is extended and launched for students of ITI, Polytechnic & Engineering through respective colleges.

The number of learners under Kushal Yuva Program(KYP) of Bihar, under skill development in F.Y. 19-20 was 3,97,230 as against 3,65,408 in the previous F.Y. i.e. increase by 31,822 i.e. 8.70% over last year. KYP is helping to change the mind-set of youths. KYP pass out youths particularly girls, whose enrolment ratio is almost 50% in KYP. The female passout students from Bihar started getting employment in their/near hometown and they are confidently performing roles like learning facilitator at KYP Center, computer operator at Malls, Super Shops, Hospitals, Medical Shops, contractual jobs in Government, Semi Government offices etc. and becoming sole earning member of the family. This has led to cultural transformation in the state.

This year we have also launched Bihar State Certificate in Financial Accounting (BS-CFA) course under KYP program. The BS-CFA course is focused on training learners on Financial Accounting along with Tally ERP. It is planned by the Bihar Government to depute at least one BS-CFA students in all establishments which pays GST. The Chartered Accounting firms are coming forward to recruit these students as assistants.

**The Skill Development Framework, developed to manage the State Skill Development Missions**, is successfully integrated with Ministry of Skill Development and Entrepreneurship's **Skill India Portal**. This integration allows seamless flow of data from the State portal to the national portal and vice versa.

Assam Skill Development Mission is implementing various short-term Skill development programs in the state of Assam with the help of MKCL's skill development framework. There are more than 300 training partners, 900 training centers and 1.15 lakh candidates currently on this framework in the state of Assam.

ASDM also collaborated with MKCL for initiating its project of North East Skill Center (NESC) for long-term skill development courses. MKCL has provided online candidate registration and online examination framework for this project. Two cycles for admission and online entrance test had been completed in this year under this project.

#### **Digital University Business Development Program:**

Digital University is a software framework for seamless management of life-cycles of millions of students, thousands of institutions and tens of thousands of courses/credits. The digitally empowered students' life-cycle management is the core of this framework. It offers eServices at affordable costs to millions of students at all stages throughout their university life-cycle right from the student online admissions up to the award of degrees and placement assistance.

It is one of the most highly scalable, integrated, seamless and end-to-end Educational eGovernance Framework in Indian Higher Education Sector and has applicability to Open and Distance Learning (ODL) Sector as well involving Open Universities and Distance Education Directorates / Departments of traditional Universities as well as Autonomous Colleges.



Under its Digital University and Digital College software frameworks, MKCL now offers direct student facilitation services to 25 universities, Private University, Autonomous Colleges, 4421+ colleges, University Departments, Study Centers and 83,18,301 Lakh students have been benefited. Footprint of Digital University has now also been consolidated in Gujarat and is expanding in Haryana also. This year, 10+ pilot projects were completed to demonstrate the usefulness of Digital University to perspective clients. MKCL's Digital University is recognized as a reform in Learning and assessment and is regularly invited to present the same at UGC sponsored workshops

Ease in smooth functioning of a University required us to provide the following features and functionalities in the Digital University Framework:

- Mobile App for College Principals
- Customization of online admission for Distance Education
- Institute Profile Management: It captures 800+ Attributes related to institute profile to cater reporting requirements of UGC, AICTE, NIRF, NAAC, University, DHE, etc.
- Employee Profile Management: It captures 500+ Attributes related to employees to cater reporting requirements of UGC, AICTE, NIRF, NAAC, University, DHE.
- Customized report generation tool in college login to cater to various dynamic reporting requirements of affiliated colleges.
- IQAC Advisory Framework with AQAR Report Facility.
- APP for College Visit Management
- Provision of instalment in College and University Fee Collection
- Social Media Promotion of Digital University offerings
- Examination Result analysis in college login
- Transcript and migration Certificate Generation
- OTP based login on Digital University and offline ERPS system
- Online Examination Form Inward Facility in Student Login
- Email alert on Marks Modification to university authority

Additional services of curtailing drop out of students was provided with the use of AI. This helped the Universities greatly.

#### **eGovernance Business Development Program:**

##### ***Swarajya*** ('स्वराज्य')

A next generation m-Governance model backed by comprehensive software framework, single State Resident Database (SRDB) with departmental APIs for state governments to automatically offer through a mobile app about 450 governmental services, certificates and benefits of welfare schemes anytime-anywhere directly to millions of citizens based on their dynamically changing eligibilities and entitlements without they specifically applying for and even without they specifically knowing about the very existence of such schemes was prepared.

##### ***MahaLabharthi*** ('महालाभार्थी')

'MahaLabharthi' is developed to bridge the communication gap between the government and citizens and to make aware poor and deprived citizens about the Welfare Schemes, Subsidies and entitlements. All benefits and entitlements are presented not as a repulsive heap of general and unusable information of schemes but in an absolutely personalized and citizen-welfare-centric manner. The portal generates a comprehensive list of benefits specifically applicable and easily understandable to the user whose profile has been submitted on the portal. The list gets dynamically updated in case of introduction of new schemes, amendment in existing schemes, and when the profile is updated by the citizens. The portal also guides the citizens on how to access or acquire the benefits.

Hon'ble Chief Minister of Maharashtra had launched this portal in 2017 and unveiled the portal on the home page of Government of Maharashtra's website. CMO had also given wide publicity through its social media handle. More than 1.8 Lakh citizens have taken the benefit of this portal.

##### ***VanMitra*** ('वनमित्र')

An end-to-end framework for implementation of The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, Rules, 2008 and Amendment Rules, 2012. The Act is also known as Forest Rights Act (FRA). The Framework ensures complete digitization of all Community Forest Rights and Individual Forest Rights claims and provides workflow management of the claim application. It also provides decision support system to various authorities under the Act. Further, Ministry of Tribal Affairs, Government of India has directed all State Governments to implement MKCL's VanMitra. Various State Governments including Maharashtra, Madhya Pradesh and Chhattisgarh have already started implementing VanMitra. Madhya Pradesh has implemented Individual Forest Rights application process and processed more than 3.59 Lakh online applications.



## Visible Government App:

It is the facility provided to citizens to locate the development work done on a digital map. It also allows citizens and government officials to upload details of the development work with its location. The Government has facility to approve the details uploaded by citizens. The application can also track the development of the project in real time. Citizens can view development works approved by the government around them on the map. It is an initiative to create transparency about the works done by the government. So far **200,000+ development works** completed by Government of Maharashtra have been uploaded and made visible to citizens through this App.

## Last Person's Manifesto - 'Antyoday' (अंत्योदय)

This app provides crowd-sourcing facility to the citizens in general and Last Persons (downtrodden) in particular to communicate their needs, demands, grievances and sources of injustice so as to help political parties in drafting their demand-driven manifestos to appropriately help these sections of society, if they so desire. The app provides Marathi voice-input and speech-to-text facility for ease of use so that even illiterate or semiliterate and computer-illiterate people can communicate their demands, grievances and needs to the government.

## Secured e-Tendering System (SeTS)

This is a proven solution for e-Procurement and e-Auctioning. The solution is being used by many Public, private and co-operative Sectors from a decade for procurement of good and services. Till now SeTS processed tenders worth more than **8 Billion+ US Dollars (INR 51,556 Crores+)** collectively in a transparent and secured manner with significant reduction in procurement life-cycle and procurement cost. Over the year SeTS has evolved as state of the art solution for secured online tendering.

## Digital Legislature Framework

A comprehensive framework for eGovernance of Maharashtra Legislative Secretariat (MLS). Hon'ble members of Legislative Council and Legislative Assembly submit LAQs online using their login, MLS staff members processes the LAQs and concerned Government Department submit their answer online. The entire process of LAQs and other legislative devices happens online by reducing paper work and time required to process them. All assembly sessions, Budget, Monsoon and Winter sessions, of Maharashtra Legislative Assembly and Council have been successfully managed through this framework for the year 2019-20. The framework is in use at MLS for last six years.

## Government Employee Transfer System

This system has been developed to implement transparent transfers of Government Employees from various departments in a mass-personalized manner by giving them postings based on the fulfilment of certain eligibility criteria and their preferential choices of locations. The system is customizable as per the Government Departments.

The transfer drive run through several stages as per transfer policy of a particular department. The system seamlessly processes the complex personalized set of rules to transfer the employees transparently. Employees receive their transfer orders digitally on the declared dates with a completely transparent allocation log. The transfer processing system has an integrated joining and relieving systems.

This system is being successfully used for transfers of thousands of teachers in Haryana over last 3 years and has been widely used and acclaimed by the **98,000+** teachers and administrators.

## International Business Development Program (IBDP)

This year MKCL was a part of a revolutionary event held in Egypt by the Ministry of Higher Education and Supreme Council of Universities, Egypt. This event was a pilot to conduct annual exams for the 33 Medical Universities across Egypt in online mode. MKCL partnered with the Supreme Council of Universities to conduct this prestigious event smoothly and flawlessly. The success of this event was mentioned by the President of Egypt himself in one of his interviews.

We have our presence in Saudi Arabia as partners with some of the prestigious Universities abroad, providing them our Online Evaluation Framework to conduct their semester end examinations in online mode. This year we signed contract with one more University in Saudi Arabia, i.e. Majmaah University for conducting their university exams online and also provided our eLearning platform for the University students to learn Basic IT Skills.

Currently we have an association with 4 major Universities and 1 Government Department in Saudi Arabia:

- King Saud University, Riyadh
- King Faisal University, Al Ahasa
- Taibah University, Madina
- Majmaah University, Majmaah

This year we have developed two very unique online tests. "Early Detection of Diabetes" designed by experts helps understand early whether a person is prone to Diabetes. Answering objective questions based on one's lifestyle and daily activities helps in this early detection and provides suggestions for life style and dietary changes. The other test is a career

profiling test to guide students to select best probable careers suited for them based on their psychometric results. This helps students to pursue their higher studies based on their selected career paths.

In addition, MKCL has also hosted a few of its eLearning courses on the popular eLearning market-place viz. Udemy by satisfying all the international standards and specifications. In a very competitive environment of Udemy offering multiplicity of exercisable options, MKCL courses are preferred by more than Fifty thousand learners from 174 countries and have received learners' average rating of 4.2 out of 5.0.

About one third of the total number of learners of MKCL courses are from USA. Thus, MKCL's International Business has now also become online while expanding the footprint of its offline business. In addition to Udemy, MKCL has also partnered up with SkillShare and TabletWise which are new and upcoming online learning platforms, and have garnered just less than 1000 learners in the last few months.

## **Products in New Exponential Technologies Business Development Program (ProNExT)**

### **Emergence of MKCL into Hardware**

Since the last couple of years, along with the product ERA, MKCL's software development program was working relentlessly on introducing several other products for teachers and learners which can be implemented across different schools and colleges in India.

In the financial year 2019-20, the team has developed and released MKCL SuperCampus & MKCL SuperSchool products on a pilot basis in some schools and colleges. These products by MKCL, provides the student, a teacher-facilitated and technology-enabled learning environment inside their brick and mortar classroom/campus, utilizing different assessment-based activities and inter-activities complementing the curricula. Overall, we received extremely positive feedback from all learners, teachers and school administrators. At the same time, during these pilot implementations, we spotted the following challenges,

- Although the internet is available, there was lack of continuous and sufficient bandwidth
- Very few institutes possess required hardware infrastructure like laptops equipped with licensed software, projector, router, which are generally needed for digital classroom setup
- IT admins who can help with installation, activation, daily support are not available in some institutes

Looking at these challenges, team SuperCampus, which now is part of newly formed program Pro-NExT (Product in Next Exponential Technologies), are planning to pack these educational based products into MKCL's hardware. The user can carry a light weight portable hardware, 2" \*2, to any classroom, plug into the power supply and conduct interactive teaching-learning sessions in entirely offline mode. This hardware not only works to resolve the above challenges, but it also eliminates the dependency of running our software into somebody else's device. With our hardware, in future, it would be immensely easy and feasible to integrate our own CCTV camera, router, face recognition module, IoT devices, DLNA device and many more. As an organization, this would enhance our capability to the next curve, using which we can touch and transform the lives of millions of teachers and learners across the country.

### **MKCL's Other Solutions and Services:**

MKCL has also developed and started selling and deploying many state-of-the-art transformative frameworks, solutions and services such as:

1. MKCL OS (Repository of commonly required/reusable software components)
2. MKCL's MyPortal (for developing web portal of any organization)
3. MKCL's Webcasting System
4. MKCL's IT Assets Tracking System
5. MKCL eStore for marketing or academic items for Network Partners
6. MKCL's Universal Payment System for Partners and Customers
7. MKCL's Ideal Gram Assessment Framework
8. MKCL's Gram Sabha Empowerment ('*sashaktikaran*') Framework
9. MKCL's Household Survey and Micro-Planning Framework
10. MKCL's GPS Based Mapping, Monitoring and Tracking System for Government Schemes
11. MKCL's My Society - a Housing Society Management Framework
12. MKCL's eVidyalaya Framework for managing and monitoring large networks of schools
13. MKCL's Statewide School Network MIS Framework for State Governments
14. MKCL's Framework for Document Archiving for Large Public Libraries
15. MKCL's Framework for Document Access Management for Large Public Libraries
16. MKCL's 'Career for You' and 'First Job' Frameworks for Placements Management

17. MKCL's HRMS (for Government/Private Human Resources Management System)
18. MKCL's Government Employee Transfer Framework
19. MKCL's Skill Development Mission Management Framework

#### **MKCL's Social Contributions:**

The offerings mentioned below are offered free of cost to the end-users for innovative branding of various products and services of MKCL:

#### **Career Mitra Workshop**

A one-day workshop was organised in association with Sahyadri Prakashan to showcase new career opportunities to students appearing 10<sup>th</sup> and 12<sup>th</sup> Std. The 4<sup>th</sup> industrial revolution sees the influx of Artificial Intelligence and Machine Learning. The opportunities in this space, mind-set building and capabilities building was highlighted by Mr. Vivek Sawant. Over 2500 students attended this workshop held at Ganesh Kala Krida Manch, Pune.

#### **Computer Skills Inter-School Competition**

To encourage the school students in computer coding an inter-school competition on Scratch Programming was organized in association with Acharya Shri Vijay Vallabh School. Over 300 students from 120 schools from Pune District participated in the activity.

#### **Cyber Genius Inter-School Competition**

To promote and encourage the use of advance techniques in computer and interschool competition was organised in association with Karnatak High School. Photoshop, Web Page Designing, MS-Paint, Scratch Programming, PowerPoint, and ICT Innovations were areas in which students from 72 schools participated in the competition. All activities and evaluations were done by MKCL.

#### **Tejaswini'**

Marie Curie: A play on the life of Noble Laureate Madam Marie Curie was organized in association with Prerana Kala Manch, Pune. The play depicted the life story and struggle of Madam Marie Curie. We had invited all MKCL staff, their family members, and MKCL associates to watch this play. This play was highly appreciated.

#### **COVID-19 PANDEMIC IMPACT ON BUSINESS OUTLOOK**

The potential impact to our results going forward will depend to a large extent on the path traversed by the pandemic, the duration and severity of the pandemic, the effectiveness of containment actions, the availability, the affordability and the reach of the vaccine. The psychological impact despite all measures may leave a little long term impact on our network partners, customers and vendors. Faster adaptation of the "New Normal" is desirable.

Your Company quickly put together a Business continuity plan of action while the winds of the pandemic started to hit home. MKCL initiated a "Work from Home" policy for its staff by making available laptops, internet access, access to secure servers. An employee self-service portal was activated for performance monitoring. We continued to service our customers by delivering on time critical milestones and processes.

Your Company, as a social organization, offered to prepare a portal for the Integrated Disease Surveillance Program (IDSP) in Pune. This portal allowed the Government officials to track the passengers entering the city of Pune and consolidate the information of citizens getting affected by the Virus. The IDSP portal allowed officers to keep track of Doctors, hospitals, beds, patients etc. and helped them in taking informed decisions. MKCL also helped prepare an APP for the Ministry of Labour in Bihar that enabled capturing the information of the migrant labours in the state. The information captured contains the skill set possessed by the migrants thus helping in decision making. The two portals were made available free of charge as an immediate relief measure to the State Governments of Maharashtra and Bihar.

Your Company converted all its courses that were earlier deployed only at the Authorized Learning Centers (ALCs) to an Online Format or an App based format so that the students are not deprived of learning during the Lockdown period. The content was restructured and reframed and distributed to the Learners through WhatsApp. It has been a fervent endeavour to engage with the students and with the Network through regular communication. MKCL engaged in capacity building of its Network Partners. Most of our ALCs are family run business. Training Programs were conducted for the family members as well. These best practices were shared with our Associate Companies as well.

The children and the youth have been affected because of closure of schools, a rather longish pause in learning, absence of play and a complete disconnect with friends. To bring back the liveliness amongst the children, your Company's 100% subsidiary not for profit Company, MKCL Knowledge Foundation entered into a School Transformation Program by launching 'Tili Mili', educational content for the children of Standard 1 to Standard 8. A fun and interesting way to learn has been released in the form of TV episodes has become immensely popular (earning highest TRP) and has reached to over 1.5 crore students of the State of Maharashtra. MKCL has created an APP where this content is available along with activities and exercises for young students.

MKCL's products such as "Online Evaluation System" emerged as solution to the tense situation around physical conduct of examinations. Several educational institutions are taking benefit of this solution by conducting entrance examinations or final year examinations using MKCL's Secured Exam Browser.

While the world came to a standstill and struggled to work from home, courses such as "How to be a smart teacher", "How to be a Smart Tutor", "How to be a Smart Remote Worker", "How to be a Smart eContent Developer" made a huge difference by putting teachers, tutors and in general working professionals at ease. People from over 180 countries registered for these courses.

MKCL released a "Teaching -Assessment" product called LearniCo, a tool catered towards making the Teaching-Learning-Assessment process as smooth as possible during "Online Learning". Considering the fact that absence of an affordable tool would mean "Zero Academic Year", colleges registered with MKCL were given this LearniCo free of cost for one year.

We shall remain resolute in our goals of employee safety, business continuity and of being a trusted partner and caring organization to our Network Partners, customers and vendors.

## 5.0 DEMATERIALIZATION OF EQUITY SHARES OF THE COMPANY

The Company has obtained International Security Identification Number (ISIN) from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and it is INE03KR01016. For more details refer to the Corporate website <http://www.mkcl.org/for-shareholders>.

The Company has appointed Alankit Assignments Limited as Registrar and Share Transfer Agent ("RTA") for electronic connectivity and facilitation of dematerialization of its equity shares. The details of RTA are given in the Annexure IV enclosed to this report.

## 6.0 POLICIES

The Company adopted the following policies to ensure welfare and wellbeing of its employees.

### 6.1 Workplace Health, Safety and Welfare Policy

The Board on October 15, 2019 approved the 'Workplace Health, Safety and Welfare Policy' pursuant to the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018. Your Company is committed to provide, so far as is reasonably practicable, safe conditions of work and safe workplaces. Your Company aims to ensure that workplaces meet the health, safety and welfare needs of its employees, trainees, interns, project associates, consultants and contractual staff.

Further, the objective of this Policy is also to ensure compliance as an employer of applicable work health and safety legislation/s including the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 ("the Shop Act") and the Rules framed thereunder, as amended from time to time.

Accordingly, the Company has constituted the Health, Safety and Welfare Committee to cater to health and safety needs of its employees, trainees, interns, project associates, consultants and contractual staff and report to the Management adequate steps to ensure safety and welfare of all.

### 6.2 Work From Home Policy

The Company allowed 'Work from Home' during nationwide lockdown and later announced 'Work from Home' policy for initial period of one year. Over the last few months as the world is changing, transactional styles are changing, forms of interaction are changing and ways of doing business are also changing. Medical experts are mentioning that COVID-19 is here to stay for a while. There are predictions of various forms of Lockdowns after opening up as has been seen in other countries. We, as an Organization prepared for such an eventuality by offering the 'Work From Home' mode of working to employees based on the understanding of the impact of a Lockdown and as a risk mitigation strategy w.e.f. July 01, 2020 for a period of one year.

MKCL is concerned about the health, safety and well-being of its employees and the safety of their families. As we understand the situation, MKCL is trying to find a way out of this understanding of all-colour zones, uncertainty about sudden and unexpected Lockdowns in future, and uncertainty about the "how" and "when" of the academic year commencement for the children of its employees. MKCL trusts its employees and would like to see its employees working dedicatedly, productively in WFH mode.

## 7.0 UPSKILLING/RESKILLING OF EMPLOYEES OF THE COMPANY

In order to achieve the Company's quality objectives, it is imperative to keep the Company competent to design, develop and deliver innovative and state-of-the-art products and services to the customers continuously. Further, it is also important to ensure bright future of each employee by regularly ensuring vertical build-up of his/her resume through regular acquisition of relevant professional experience, new knowledge, new skills and competencies, meaningful exposure to cutting edge paradigms, tools and methodologies, general awareness of emerging professional practices as well as strong development of a few specializations. Regular up-skilling and knowledge updation of employees is imperative for remaining gainfully employed and employable in this dynamic and competitive world.

The Company believes that this can be best accomplished by regularly offering challenging tasks to employees and carrying out their quarterly appraisals as well as half-yearly formal assessments. These assessments are not based on rote learning of concepts and theories. The Assessments are based on self-learning followed by regular practice of these new skills and competencies while actually performing day-to-day job assignments.

For the overall development of employees, they have been encouraged to update their selves on regular basis and share weekly learnings with peers by reflection sessions. There is regular monitoring of learning and implementation of the learnings while performing their job assignments and weekly learnings by reflection sessions. Also, employees are encouraged to participate in Conferences, Seminars, Workshops of relevant topics. This regular learning methodology has helped the Company improve competency of its human assets.

## 8.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company is committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. It is also committed to providing work environment that ensures every employee is treated with dignity and respect. The Company believes in providing non-hostile safe working environment without fear of prejudice, bias and sexual harassment to all its employees.

The Company had constituted Internal Complaints Committee (ICC) in 2014 under section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act"), to redress complaints received regarding sexual harassment. The Company has adopted "Anti-Sexual Harassment Policy" in the year 2018 to effectively redress complaints received regarding sexual harassment for all genders. All employees (including permanent, contractual, temporary, trainees) in the Company are covered under this policy.

The Constitution of the ICC during the year under review was as below:

Sr. No.	Name of Member	Designation & email id	Term of office
1	Ms. Komal Chaubal <i>Presiding Officer of ICC</i>	Company Secretary cs@mkcl.org	September 01, 2017 to August 31, 2020
2	Ms. Sangeeta Kulkarni	Sr. Program Coordinator sangeetak@mkcl.org	September 01, 2017 to August 31, 2020
3	Mr. Sachin Nirgudkar	Deputy Company Secretary sachinn@mkcl.org	September 01, 2017 to August 31, 2020
4	Ms. Deepa Chavan	Accounts Officer deepac@mkcl.org	September 01, 2017 to August 31, 2020
5	Mr. Vikas Desai	Sr. Program Coordinator vikasd@mkcl.org	April 01, 2018 to March 31, 2021
6	Mr. Atul Patodi	Sr. Program Coordinator atulp@mkcl.org	April 01, 2018 to March 31, 2021
7	Adv. (Ms.) Suneeti Govitrikar	Advocate (Familiar to issues relating to sexual harassment) govitrikar. suneeti@gmail.com	September 01, 2017 to August 31, 2020



The revised constitution of ICC w.e.f. September 01, 2020 is as below:

Sr. No.	Name of Member	Designation	Term of office	Members
1	Dr.(Ms.) Revati Namjoshi	General Manager	September 01, 2020 to August 31, 2023	Presiding Officer
2	Ms. Sonali Katke	Member Academic Development Staff	September 01, 2020 to August 31, 2023	Member
3	Ms. Sana Saudagar	Secretarial Officer	September 01, 2020 to August 31, 2023	Member
4	Mr. Anupam Narkhede	General Manager	September 01, 2020 to August 31, 2023	Member
5	Mr. Atul Patodi	General Manager	April 01, 2018 to March 31, 2021	Member
6	Mr. Pranab Sharma	Program Coordinator & Systems Architect	September 01, 2020 to August 31, 2023	Member
7	Ms. Mukta (Awachat) Puntambekar	Social Worker (Familiar to issues relating to sexual harassment)	September 01, 2020 to August 31, 2023	Member

The following is a summary of sexual harassment complaints received and disposed-off during the year:

- (a) Number of complaints pending at the beginning of the year: NIL
- (b) Number of complaints received during the year: NIL
- (c) Number of complaints disposed-off during the year: NIL
- (d) Number of cases pending at the end of the year: NIL

During the year under report, one meeting of ICC was conducted to understand how the employees and stakeholders of the Company can be sensitized.

## 9.0 ALTERATION OF THE OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

The previous Memorandum of Association (“MoA”) of the Company was framed pursuant to the provisions of the Companies Act, 1956. The provisions of the Companies Act, 2013 which came into force with effect from 1<sup>st</sup> April, 2014, required stating the objects clause in a different manner. Also some objects had become inapplicable as the business processes of the Company had undergone changes over a period of time. Such objects had been deleted. Further, in order to clearly reflect the long-term objects, vision and mission of the Company to create new value-based paradigms in education, governance and empowerment of common people in the context of rapidly emerging knowledge-based society and knowledge-led economy and consistent with development opportunities therein, some new objects had been added. The new activities included post alteration can be carried out, under the existing circumstances, conveniently and advantageously along with the prevailing activities of the Company.

During the year under review, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“the Rules”) and other applicable laws, Rules and Regulations, the Company had provided physical voting facility through Postal Ballot process for seeking approval of its members for Alteration of Object Clause of the Memorandum of Association (“MOA”) of the Company.

The Board of Directors had appointed Mr. Shailesh Indapurkar (ACS 17306, C.P.No.5701) of Shailesh Indapurkar & Associates, Company Secretaries, Pune as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

Accordingly, Mr. Shailesh Indapurkar opened and scrutinized the Postal Ballot Forms received by the Company as on Monday, September 30, 2019 at 5.00 p.m. IST and submitted a detailed report and results of voting through Postal Ballot paper form vide Scrutinizer’s report dated October 01, 2019. The results of the Postal Ballot as per the Scrutinizer’s report was as under:



Item no. of the notice	Mode of voting	Total No. of valid votes cast	Votes in favour of the Resolution / Assent		Votes against the Resolution/ Dissent		Nos. of Invalid or Abstained voting	
			Nos.	% of total number of valid votes cast	Nos.	% of total number of valid votes cast	Ballot No.	Votes
<b>SPECIAL BUSINESS</b>								
<b>Item no. 1</b>								
Alteration of the Object Clause of the Memorandum of Association of the Company.	Postal Ballot Form	34	577800	100%	0	0	1	1850
	<b>TOTAL</b>	<b>34</b>	<b>577800</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1850</b>

On the basis of Scrutinizer's Report dated October 01, 2019, it was announced on October 10, 2019 that the Special Resolution as set out in the Postal Ballot Notice dated August 07, 2019 was duly passed and approved by the Members as Special Resolution with requisite majority.

## 10.0 DIRECTORS

### 10.1 Cessation of Directors on the Board

#### 10.1.1 Cessation of Mr. Vivek Sawant (DIN 0002285) as Managing Director and appointment as Chief Mentor.

Mr. Vivek Sawant had written to Dr. Anil Kakodkar, Chairman letter dated September 12, 2017 in which he had stated that as he would be stepping into his 60<sup>th</sup> year, considering the age factor, his term commencing from October 05, 2017 should be his last tenure as Managing Director & CEO of the Company (MKCL).

Mr. Sawant had also stated that as MKCL is a very unique organization that has been doing business with a social objective and a transformative agenda, it was necessary to ensure proper grooming and continuity of leadership after the end of his tenure. He had, therefore, proposed to the Board that the existing position of Managing Director & CEO be divided into 2 separate positions. He had also stated that he shall continue to hold charge as Managing Director, while the Board was requested to appoint a Chief Executive Officer (CEO). The officer so appointed by the Board as CEO, shall be groomed and guided personally by him to ensure a smooth leadership transition and continuity of MKCL's fundamental beliefs, principles and values.

The Board, very graciously accepted his aforesaid proposal and appointed Ms. Veena Kamath, Senior General Manager as the CEO of the Company through a competing process. The Board also decided that her performance as CEO shall be reviewed by the Nomination and Remuneration Committee (NRC). Accordingly, performance of Ms. Veena Kamath as CEO was being reviewed quarterly by the NRC since her appointment i.e. December 01, 2017 and was found consistently satisfactory. Therefore, the Board in its meeting held on June 24, 2019 had unanimously decided that it was no longer necessary to carry quarterly review of her performance by the NRC.

The Chairman received a letter on October 01, 2019 from Mr. Vivek Sawant, in which he had stated that he felt it was appropriate time for the next leadership to take charge from him and therefore he was giving Notice pursuant to clause 7 for termination of the Agreement dated March 21, 2017. He expressed his sincere gratitude to all the members of the Board for their unstinted support, trust, guidance and cooperation which he had received during his tenure as Managing Director. He requested the Board to relieve him from the responsibilities of Managing Director on December 31, 2019.

The Board in its meeting held on October 15, 2019 requested Mr. Vivek Sawant to reconsider his decision. However, Mr. Vivek Sawant explained at length the reasons for the same and the necessity for setting a precedence of stepping aside of full-time executive function on attainment of 60 years of age so that next leadership can take charge. The Board, respecting the wishes of Mr. Vivek Sawant, with a heavy heart accepted his resignation.

The Board, places on record rich tributes to Mr. Vivek Sawant for the visionary and inspiring leadership he has offered as the founding Managing Director in creation, sustenance and growth of the Company and its unique network over last 18

years. But for his dynamic leadership, clearly articulated mission and values for MKCL, innovative directions and guidance and empathy towards one and all, MKCL may not have attained the remarkable success as it did in launching a social transformation agenda through offering a high-quality IT literacy opportunity to more than 12.5 million learners from all walks of life in a short span of 18 years.

The Board appreciates Mr. Vivek Sawant's path-breaking ideas in educational and livelihood transformation, which enabled MKCL and its associate organizations to offer innovative learning and skilling opportunities, excellence and talent nurturance and developmental services to the millions of aspirants- men and women, young and old, urban/ rural/ tribal people, students and teachers, farmers and workers, businessmen and professionals, homemakers and senior citizens - at affordable costs, with world-class quality, with widest accessibility throughout the state and beyond, in a just-in-time and mass-personalized manner.

The Board applauds Mr. Vivek Sawant for leading MKCL on the path of bridging the Digital Divide and the resultant Knowledge Divide and the Opportunity Divide across Maharashtra and several States in India. He gave a rare insight for directing efforts in transforming into a modern, prosperous and wise State in the emerging knowledge society by propagating a mass movement of life-long learning empowered by appropriate and pervasive use of information technology and enduring public-private-community partnerships.

The Board further acknowledges Mr. Vivek Sawant with deep sense of gratitude for leading the Company on the path of creating a knowledge-based, self-sustaining, socially accountable and ethical networked-enterprise of thousands of small and medium IT entrepreneurs and enterprises. His strategic leadership helped in ensuring not only a livelihood sustainability and economic prosperity of the network partners but also ensuring their growth and empowerment in a manner truly befitting the 21<sup>st</sup> century knowledge-centric cultural ethos dedicated to social development.

Several even bigger path-breaking societal transformations, in which MKCL would make pioneering contributions, are around the corner as a result of new opportunities offered by emerging exponential technologies such as AI, IOT, cloud computing, big data, block chain etc. For a country like ours, urgently leveraging them to expand and deepen our ongoing social transformation agenda is a crucial necessity to address rapidly escalating challenges of rising disparities, global competition and growing aspirations of youth. The Company which has built up a sound base for social transformation capability, thus needs continued insightful guidance and mentoring by Mr. Vivek Sawant more than any time before. In the interest of the Company, it is thus necessary that Mr. Vivek Sawant continues to remain associated with MKCL even after his stepping down as the Managing Director. The Board therefore requested Mr. Vivek Sawant to continue to guide MKCL as the Chief Mentor after his cessation as Managing Director, which he graciously accepted and thus he was appointed as Chief Mentor of the Company w.e.f. January 01, 2020.

#### **10.1.2 Vacation of office as director of Mr. Srinivas Venkata Ratna Sonti (Mr. S.V.R.Srinivas)**

During the year under review, the office of Mr. S.V.R.Srinivas (DIN 02860903), Principal Secretary, General Administration Department (Information Technology), Government of Maharashtra (GoM) had become vacant on November 18, 2019, pursuant to section 167 (1) (b) of the Companies Act, 2013.

Pursuant to Government Resolution no. MATANS-2018/Matter No.65/Sr. No. 5/39 dated July 21, 2018 regarding nomination as Government Nominee Directors on Board of the Company, he was considered eligible for reappointment by the Board of Directors of the Company.

#### **10.2 Appointment of Directors on the Board**

##### **10.2.1 Appointment of Ms. Veena Kamath (DIN 06454315) as Additional Director**

During the year under report, the Board of Directors in its meeting held on November 18, 2019 appointed Ms. Veena Kamath as an Additional Director of the Company in terms of provisions of Section 161 of the Companies Act, 2013 and Article 64 of the Articles of Association (AOA) of the Company. As per Section 161(1) of the Companies Act, 2013 read with Article 64 of the Articles of Association (AOA) of the Company, Ms. Veena Kamath holds office only upto the date of this Annual General Meeting of the Company.

In terms of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Veena Kamath being eligible and offering herself for appointment, as an Executive Director of the Company, not liable to retire by rotation. In the opinion of the Board, Ms. Veena Kamath fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder. Accordingly, the Board recommends the appointment of Ms. Veena Kamath as an Executive Director not liable to retire by rotation, for the approval of the shareholders of the Company at the ensuing 19<sup>th</sup> Annual General Meeting.

Ms. Veena Kamath is not related in any capacity whether directly or indirectly with any other Director and other Key Managerial Personnel (KMP) of the Company.

Ms. Veena Kamath holds a Bachelor's Degree in BA (Economics) major from Mumbai University and then pursued her Masters

from the University of Alaska, Fairbanks USA and specialized in Finance and she further worked with the University of Alaska. Her career prior to joining MKCL has involved teaching the MBA students, networking with the University Alumni and volunteering with the schools for setting up Industry linkages. She has vast experience of 20 years.

Ms. Veena Kamath is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

### 10.2.2 Appointment of Ms. Veena Kamath (DIN 06454315) as Managing Director

The Board had appointed Ms. Veena Kamath, Senior General Manager as the Chief Executive Officer (CEO) of the Company through a competing process in their meeting held on November 15, 2017. The Board also decided that her performance as CEO shall be reviewed by the Nomination and Remuneration Committee (NRC). Accordingly, performance of Ms. Veena Kamath as CEO was being reviewed quarterly by the NRC since her appointment i.e. December 01, 2017 and was found consistently satisfactory. Therefore, the Board in its meeting held on June 24, 2019 had unanimously decided that it was no longer necessary to carry quarterly review of her performance by the NRC.

The Chairman then received a letter on October 01, 2019 from Mr. Vivek Sawant, in which he had stated that he felt it was appropriate time for the next leadership to take charge from him and therefore he was giving Notice pursuant to clause 7 for termination of the Agreement dated March 21, 2017. He requested the Board to relieve him from the responsibilities of Managing Director on December 31, 2019. Accordingly, the Board appointed Ms. Veena Kamath as Managing Director of the Company as she was being groomed and guided personally by Mr. Vivek Sawant for last 2 years to ensure a smooth leadership transition and continuity of MKCL's fundamental beliefs, principles and values and also her performance was found satisfactory during her term as CEO.

Ms. Veena Kamath (DIN 06454315), a citizen of United States of America having Overseas Citizenship of India ('OCI') was appointed as Managing Director for a period of 5 (five) years commencing on and from January 01, 2020 to December 31, 2024 till the close of office hours at 5.30 p.m. and the said appointment was made as 'Key Managerial Personnel' as defined in section 2(51)(i) of the Companies Act, 2013 with the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company. The terms and conditions shall be as per the Agreement entered by and between the Company and Ms. Veena Kamath dated November 28, 2019. The extract of the Agreement is produced in the Notice of ensuing 19<sup>th</sup> Annual General Meeting.

Ms. Veena Kamath graduated with an Economics major from Mumbai University and then went on to pursue her MBA from the USA. She specialized in Finance and then worked with the University of Alaska. After having stayed in the USA for several years, she moved to India with her family. Her career prior to joining MKCL has involved teaching the MBA students, networking with the University Alumni and volunteering with the schools for setting up Industry linkages.

Her journey in MKCL started from the first day MKCL began its operations. Her portfolio began with HR but she soon got involved in the mission of setting up the MKCL network and promoting the IT Literacy mission. She has been involved in the operational aspects to the strategic aspects of creating earning and learning opportunities to the youth.

Alongside her responsibility, she was involved in setting up the prestigious offices of MKCL in the International Convention Center, Pune and in Seawoods, Navi Mumbai.

Under her able leadership, she has helped MKCL get the NABET certification issued by the Quality Council of India and the ISO certification of 9001:2015 issued by internationally acclaimed British Standards Institute.

### 10.2.3 Government nominees on the Board

The General Administration Department (Information Technology), Government of Maharashtra (GoM) issued Government Resolution (GR) no. MATANS-2018/Matter No.65/Sr. No. 5/39 dated July 21, 2018 regarding nomination of Government nominee Directors on Board of the Company. As per the said GR, below shall be the three nominees of the Government of Maharashtra on the Board of the Company-

- (a) Hon'ble Minister of State for General Administration Department (Information Technology),
- (b) Upper Chief Secretary/Principal Secretary/Secretary, General Administration Department (Information Technology),
- (c) Upper Chief Secretary/Principal Secretary/Secretary, Department of Higher & Technical Education.

Accordingly, the Company sent request communications to the above three nominees for completion of requisite procedural compliances for appointment as Director on the Board. The Company had received all requisite documents from only Mr. S. V. R. Srinivas, The Principal Secretary, General Administration Department (Information Technology) and his appointment was done accordingly.

### Appointment of Mr. Srinivas Venkata Ratna Sonti (Mr. S.V.R.Srinivas)

Mr. S. V. R. Srinivas (DIN 02860903) was appointed as Government Nominee Director on the Board of your Company w.e.f. August 18, 2019 i.e. the date of receipt of requisite consent by the Company. However, as mentioned above his office had

become vacant pursuant to Section 167(1) of the Companies Act, 2013 on November 18, 2019. As per the above referred GR, the appointment as Government Nominee Director is in ex-officio position, hence he was considered eligible for reappointment. Accordingly, consent was obtained from him on January 02, 2020, he was appointed again as Government Nominee Director on the Board of the Company by the Board of Directors w.e.f. March 03, 2020.

Mr. S. V. R. Srinivas, IAS is Masters in Political Science and Public Policy and Management. He is presently Chairman, MahaIT; CEO, Dharavi Redevelopment Project. He has held various positions during his last 21 years of service in various Departments at various positions viz. Managing Director, SICOM Ltd.; Additional Commissioner, BMC Mumbai; Additional Metropolitan Commissioner MMRDA & Project Director MUTP; Joint MD MSRDC; Municipal Commissioner, Solapur; Municipal Commissioner, Kolhapur; Collector & District Magistrate at Akola; CEO ZP & Chairman DRDA, etc.

Mr. S. V. R. Srinivas is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

### **10.3 Re-appointment of Independent Director**

#### **10.3.1 Re-appointment of Dr. Deepak Phatak**

Dr. Deepak Phatak (DIN 00046205) being eligible was re-appointed as Independent Director of the Company by the members in their 18<sup>th</sup> Annual General Meeting for a tenure from October 01, 2019 to September 30, 2024.

### **10.4 Director Retiring by Rotation**

Professor E. Vayunandan (DIN 07737382)), Director of the Company retires at the ensuing 19<sup>th</sup> Annual General Meeting and being eligible offers himself for re-appointment.

Professor E. Vayunandan, age 59 years, is M.A. (Public Administration), M.Phil. and Ph.D. and has more than 30 years of teaching experience and research experience to his credit. He worked in IGNOU from August 1987 to 6th March, 2017. He was involved in the development of BDP elective courses in Public Administration, Post Graduate and Certificate Diploma in Disaster Management. He was the programme coordinator of Ph.D. programme, Master of Public Administration, Post Graduate Diploma in Urban Governance. He has five authored and edited books to his credit. His areas of research are Administrative Theory, Governance, Labour administration and Public policy. He worked as Director of National ODL Centre for Local Governance. He has been appointed as Vice-Chancellor of Yashwantrao Chavan Maharashtra Open University, Nashik on 8th March, 2017.

Professor E. Vayunandan is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

### **10.5 Declaration by Independent Directors**

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he meets the criteria of independence laid down in section 149(6) of the said Act. During the year under report the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

## **11.0 CORPORATE GOVERNANCE**

Corporate Governance is an ethically driven business process that is committed to values. This is ensured by conducting business with a firm commitment to ethics and values, while meeting all stakeholders' expectations. Your Company's businesses are managed in a fair and transparent manner.

Presently, the Board of your Company consists of six independent directors, two University Representatives, one Government nominee and one Managing Director. The Chairman of the Board and the Company, Dr. Anil Kakodkar is independent director. In F.Y. 2019-20, all the Board Meetings were chaired by Dr. Anil Kakodkar. Further, all the Committee Meetings were also Chaired by Independent Directors. The Board members devote sufficient time, give valuable guidance, insight on critical and strategic matters and assist the Company in implementing the best corporate governance practices.

### **11.1 Board Diversity**

The Company recognizes the importance of a diverse Board in its success. A diverse Board can leverage differences in thought, views, perspective, knowledge, skill, domain expertise, industry experience, cultural and geographical background, which will help us in achieving our cherished mission. The composition at present broadly meets with ensuring Board diversity.

## 11.2 Committees of the Board

During the year, the Board had four committees: The Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee and the Shareholders' Committee. All the Board Committees, consists majority of independent directors. The composition of some of these Committees were changed during the year and as on January 01, 2020 are as follows-

Name of the Committee	Composition of the Committee	Category
Audit Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Girish Sohani Ms. Veena Kamath	Independent Director Independent Director Independent Director Managing Director
Corporate Social Responsibility Committee	Dr. Anil Kakodkar - <i>Chairman</i> Dr. Rajaram Deshmukh Ms. Veena Kamath	Independent Director Independent Director Managing Director
Nomination and Remuneration Committee	Dr. Rajaram Deshmukh - <i>Chairman</i> Dr. Anil Kakodkar Dr. Deepak Phatak Dr. Charudatta Mayee Dr. Anant Sardeshmukh Mr. Girish Sohani Ms. Veena Kamath	Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Managing Director
Shareholders' Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Rajaram Deshmukh Ms. Veena Kamath	Independent Director Independent Director Managing Director

## 11.3 Board Meetings/Board Committee Meetings

### (i) Board Meetings

During the year under report, five (5) meetings of Board of Directors were held. The meetings were scheduled well in advance and not more than One Hundred and Twenty (120) days elapsed between any two meetings.

The dates on which the Board Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Board Meeting Dates				
		24.06.2019	07.08.2019	15.10.2019	18.11.2019	03.03.2020
Dr. Anil Kakodkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Deepak Phatak	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Rajaram Deshmukh	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Anant Sardeshmukh	Independent Director	Attended	Leave of absence	Attended	Attended	Attended
Dr. Charudatta Mayee	Independent Director	Attended	Attended	Attended	Attended	Attended
Mr. Girish Sohani	Independent Director	Attended	Attended	Attended	Attended	Attended
Prof. Suhas Pednekar	University Representative	Leave of absence	Attended	Leave of absence	Leave of absence	Leave of absence
Prof. E. Vayunandan	University Representative	Leave of absence	Absent	Leave of absence	Attended	Absent
*Mr. S. V.R. Srinivas	Government Nominee	Absent	Absent	Absent	Absent	N.A.



<b>**Mr. Vivek Sawant</b>	Managing Director	Attended	Attended	Attended	Attended	N.A.
<b>***Ms. Veena Kamath</b>	Managing Director	N.A.	N.A.	N.A.	N.A.	Attended

\*Mr. S.V. R. Srinivas ceased as Director on November 18, 2019 and was reappointed on March 03, 2020.

\*\* Mr. Vivek Sawant ceased to be Managing Director during the year on December 31, 2019.

\*\*\* Ms. Veena Kamath was CEO upto December 31, 2019 and was appointed as Managing Director during the year w.e.f. January 01, 2020.

#### (ii) Audit Committee Meetings

During the year under report, five meetings of Audit Committee were held. The meetings were scheduled well in advance. The dates on which the Audit Committee Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Audit Committee Meeting Dates				
		23.05.2019	24.06.2019	03.08.2019	18.11.2019	03.03.2020
Dr. Anant Sardeshmukh	Chairman	Attended	Attended	Attended	Attended	Attended
Dr. Rajaram Deshmukh	Independent Director	Leave of absence	Attended	Attended	Attended	Attended
Mr. Girish Sohani	Independent Director	Attended	Attended	Attended	Attended	Attended
*Mr. Vivek Sawant	Managing Director	Attended	Attended	Attended	Attended	N.A.
**Ms. Veena Kamath	Managing Director	N.A.	N.A.	N.A.	N.A.	Attended

\*Mr. Vivek Sawant ceased to be Managing Director during the year on December 31, 2019.

\*\* Ms. Veena Kamath was CEO upto December 31, 2019 and was appointed as Managing Director during the year w.e.f. January 01, 2020.

#### (iii) Nomination and Remuneration Committee Meetings

During the year under report, three meetings of Nomination and Remuneration Committee were held. The meetings were scheduled well in advance. The dates on which the Nomination and Remuneration Committee Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Nomination and Remuneration Committee Meeting Dates		
		24.06.2019	31.10.2019	18.11.2019
Dr. Rajaram Deshmukh	Chairman	Attended	Attended	Attended
Dr. Anil Kakodkar	Independent Director	Attended	Attended	Attended
Dr. Deepak Phatak	Independent Director	Attended	Leave of Absence	Attended
Dr. Anant Sardeshmukh	Independent Director	Attended	Attended	Attended
Dr. Charudatta Mayee	Independent Director	Attended	Leave of Absence	Attended
Mr. Girish Sohani	Independent Director	Attended	Leave of Absence	Attended
*Mr. Vivek Sawant	Managing Director	Attended	Attended	Attended
**Ms. Veena Kamath	Managing Director	N.A.	N.A.	N.A.

\*Mr. Vivek Sawant ceased to be Managing Director during the year on December 31, 2019.

\*\* Ms. Veena Kamath was CEO upto December 31, 2019 and was appointed as Managing Director during the year w.e.f. January 01, 2020.



## (iv) Corporate Social Responsibility (CSR) Committee Meeting

During the year under report, one meeting of CSR Committee was held. The meetings were scheduled well in advance. The dates on which the CSR Committee Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	CSR Committee Meeting Dates
		24.06.2019
Dr. Anil Kakodkar	Chairman	Attended
Dr. Rajaram Deshmukh	Independent Director	Attended
*Mr. Vivek Sawant	Managing Director	Attended
**Ms. Veena Kamath	Managing Director	N.A.

\*Mr. Vivek Sawant ceased to be Managing Director during the year on December 31, 2019.

\*\* Ms. Veena Kamath was CEO upto December 31, 2019 and was appointed as Managing Director during the year w.e.f. January 01, 2020.

## (v) Shareholders' Committee Meetings

During the year under report, four meetings of Shareholders' Committee were held. The meetings were scheduled well in advance. The dates on which the Shareholders' Committee Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Shareholders' Committee Meeting Dates			
		23.05.2019	24.06.2019	24.09.2019	11.01.2020
Dr. Anant Sardeshmukh	Independent Director	Attended	Attended	Leave of absence	Attended
Dr. R. B. Deshmukh	Independent Director	Leave of absence	Attended	Attended	Leave of absence
*Mr. Vivek Sawant	Managing Director	Attended	Attended	Attended	N.A.
** Ms. Veena Kamath	Managing Director	N.A.	N.A.	N.A.	Attended

\*Mr. Vivek Sawant ceased to be Managing Director during the year on December 31, 2019.

\*\* Ms. Veena Kamath was CEO upto December 31, 2019 and was appointed as Managing Director during the year w.e.f. January 01, 2020.

## (vi) Independent Directors' Meeting

During the year under report, one meeting of Independent Directors' was held. The meeting was scheduled well in advance. The date on which the Independent Directors' Meeting was held and the attendance of the Members at the said Meeting are as under:

Name of Director	Category	Independent Directors' Meeting Date
		24.06.2019
Dr. Anil Kakodkar	Independent Director	Attended
Dr. Deepak Phatak	Independent Director	Attended
Dr. Rajaram Deshmukh	Independent Director	Attended
Dr. Anant Sardeshmukh	Independent Director	Attended
Dr. Charudatta Mayee	Independent Director	Attended
Mr. Girish Sohani	Independent Director	Attended

## 11.4 Independent Director Registration on Databank and Online Proficiency Test

The Ministry of Corporate Affairs (MCA) had vide notification no. G.S.R. 804(E) dated 1<sup>st</sup> December, 2019 introduced new rules called the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 for person eligible and willing to be appointed as an Independent Director. The rule states the compliances to be carried out before the

appointment of independent director as well for those who are already appointed.

**According to the said rules:**

**Every Individual-** 1) Who has been already appointed as an Independent Director in a company; 2) Who intends to get appointed as an Independent Director in a company apply online to institute for inclusion of his name in the data bank for a period of one year or five years or his life time till he continues to hold the office of an independent director;

Every individual whose name is included in data bank shall pass an online proficiency self-assessment test within one year from inclusion of his name in the data bank.

Accordingly, all the Independent Directors of the Company have registered on the said portal.

Dr. Deepak Phatak has been exempted from passing online proficiency self-assessment test as he has served 10 years or more as on date of inclusion of name in the databank as director or KMP in a listed company or in an unlisted public company having a paid-up capital of Rs. 10 crore.

The other Independent Directors have been requested to ensure requisite compliance.

#### **11.5 Policy on Directors' appointment and remuneration**

The existing composition of the Board has been specified in Article 58 of the Articles of association of the Company, which has an appropriate mix of Board members i.e. Executive -1, Government Nominees-3, University Representatives-2 and Independent Directors-6 to maintain the independence of the Board, and separate its functions of governance and management.

The Policy regarding payment of expenses to eligible Directors and invitees for attending Board Meetings, Committee Meetings of the Board, General Meetings of the Company or meetings in connection with the business of the Company is decided by the Board from time to time. Further, the terms of appointment/reappointment of independent directors have been communicated to the said directors and are available on the Company's website <http://www.mkcl.org>.

#### **11.6 Board Evaluation**

The evaluation of the Board as a whole was conducted based on the criteria and framework adopted by the Board. The process of evaluation was done by circulating evaluation sheets to all Directors of the Company and the Board of Directors had rated each one on criteria laid down in the sheets, signed and submitted the same to the Chairman of the Company. None of the independent directors are due for re-appointment.

#### **11.7 Remuneration paid to Managing Director from holding or subsidiary company**

The Managing Director of the Company is not in receipt of any commission from the Company, and also does not receive any remuneration or commission from its subsidiary company.

#### **11.8 Recommendations of Audit Committee of Directors**

The Board of the Company has from time to time accepted all the recommendations of the Audit Committee during the year under report.

#### **11.9 Appointment of Joint Managing Director**

The Board in its meeting held on November 18, 2019 through a competing process, appointed Mr. Sameer Pande, Chief General Manager as Joint Managing Director (JMD). The JMD, is a non-Board position and not a KMP position.

Mr. Sameer Pande is B.E. in Electronics and has also pursued MPBA, Management and MPM, Personnel Management and HRD.

He has varied and rich experience. He started his career in 1993 as Coordinator of Institute of Management Education and served upto 1999 (6 years), then was appointed as Managing Director & CEO of Knowledge Divine Information Technology Pvt. Ltd. in September 2000 and served upto March 2010 (9 years 5 months), then was appointed as General Manager of MKCL International FZE India in April 2010 upto November 2013 (3 years 8 months), later served as Managing Director & CEO of Haryana Knowledge Corporation Ltd. from December 2013 upto June 2016 (2 years 7 months), Panchkula. He rejoined Maharashtra Knowledge Corporation Ltd. as Senior General Manager in June 2016 upto November 2018 (2 years 6 months), Pune and then later was promoted as Chief General Manager of Maharashtra Knowledge Corporation Ltd. in December 2018.

He is the Company's nominee Director on the Board of Odisha Knowledge Corporation Ltd. As the JMD, the Board has entrusted him with business development.

## 11.10 Appointment of Chief Executive Officer

The Board in its meeting held on November 18, 2019 through a competing process, appointed Ms. Komal Chaubal, Company Secretary as also the Chief Executive Officer (CEO). While she holds the position of Company Secretary as key managerial personnel (KMP), presently CEO is a non-KMP position.

Ms. Komal Chaubal joined the Company in November 2003 as the Company Secretary. An alumni of Narsee Monjee College of Commerce & Economics, Mumbai, she completed her H.S.C. from the Bombay Board and graduated from the University of Mumbai. She is a Fellow Member of the Institute of Company Secretaries of India. She has more than two decades of experience in Corporate, Governance and Legal matters. She has spearheaded the incorporation processes of joint venture companies (JVs) in India and abroad. She is the Company's nominee Director on the Boards of MKCL Knowledge Foundation and Haryana Knowledge Corporation Ltd.

As the CEO, the Board has entrusted Ms. Komal Chaubal with managerial and administrative functions viz. Company Matters and Corporate Governance, Legal Affairs, Human Resources Management, General Administration, Civil Infrastructure and IT Infrastructure Management, Procurement of Goods and Services, Materials Management, Accounts & Financial Management, Audits, Quality Management Systems, Customer Relationship Management.

## 12.0 CORPORATE SOCIAL RESPONSIBILITY POLICY AND IMPLEMENTATIONS

During the year 2019-20, the Corporate Social Responsibility (CSR) Committee recommended to the Board the 'Corporate Social Responsibility' Policy. The said Policy was approved by the Board in its meeting held on June 24, 2019.

The detail Report on the activities carried on by the Company as CSR during the year as signed by the members of the CSR Committee was submitted to the Board. The copy of the same is enclosed as *Annexure I*.

## 13.0 DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY

The Board of Directors, in its meeting held on June 26, 2015 had approved and adopted a risk management policy to identify, evaluate, mitigate and monitor risk factors affecting the business of the Company. The Board, in its meeting held on June 24, 2019 discussed the 'Risk' factors which may threaten the existence/operations of the Company and gave valuable guidance and advice regarding risk management and minimization thereof. Company on continual basis accordingly identifies risk and takes necessary steps to mitigate the same.

## 14.0 AUDITORS

### 14.1 Statutory Auditors

M/s G.D. Apte & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 18th Annual General Meeting (AGM) held on September 24, 2019, for a period of six (6) years from the conclusion of the 18<sup>th</sup> AGM to hold office till the conclusion of the 23<sup>rd</sup> AGM to be held in the calendar year 2024.

The Company has received consent, eligibility and proposed terms of appointment from M/s G.D. Apte & Co., Chartered Accountants (Firm Registration No. 100515W) in accordance with the provisions of Section 141 of the Companies Act, 2013. The terms of remuneration of Statutory Auditors for the Financial Year 2020-21 shall be subject to approval of the members at the ensuing 19<sup>th</sup> Annual General Meeting.

### 14.2 Internal Audit systems

As per Rule 13 of the Companies (Accounts) Rules, 2014, in case of an unlisted public company, appointment of Internal Auditor is mandatory incase the turnover is 200 crore or more during the preceding financial year. As such, it is not mandatory for the Company to appoint Internal Auditor pursuant to section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014. However, considering the changing and growing scope of the Internal Audit function, viz. which is to provide independent assurance that an organization's risk management, governance and internal control processes are operating effectively, the Board in its meeting held on March 11, 2019 had appointed Natu & Pathak, Chartered Accountants, Pune as Internal Auditor for F.Y. 2019-20. The Internal Auditors have conducted extensive Audit as per agreed scope and submitted periodical detail reports to the Company. The said reports have been made available to the Audit Committee by the Company and have been reviewed by the Audit Committee. The Company has strengthened its internal processes and taken corrective, preventive actions as advised by the Internal Auditor from time to time.

### 14.3 Cost Audit

The Ministry of Corporate Affairs (MCA) vide Notification dated 31<sup>st</sup> December, 2014 issued the Companies (Cost Records and Audit) Amendment Rules, 2014 [CRAR, 2014]. As per the said Rules, every Company, including foreign companies defined in clause (42) of Section 2 of the Companies Act, 2013, having an overall turnover from all its products and services of Rupees Thirty Five Crore or more during the immediately preceding financial year for products or services specified in Rule 3 of CRAR shall include cost records for such products or services in their books of account. Accordingly, cost records and accounts are maintained by the Company.

Pursuant to above mentioned rules, the Board had appointed M/s. S.R. Bhargave & Co., Cost Accountants (Firm Registration No.000218) to conduct audit of cost records made and maintained by the Company pertaining to Educational services for F.Y. 2019-20. The remuneration payable to them was ratified in the 18<sup>th</sup> Annual General meeting by the Members. The Company has received consent, eligibility and proposed terms of appointment from M/s. S.R. Bhargave & Co., Cost Accountants and has re-appointed them for F.Y. 2020-21. The terms of remuneration of Cost Auditors for the Financial Year 2020-21 shall be subject to ratification by the members at the ensuing 19<sup>th</sup> Annual General Meeting.

### 14.4 Secretarial Audit

Secretarial Audit was not mandatory for your Company for F.Y. 2019-20. However, as the primary objective of Secretarial Audit is to safeguard the interest of the Directors, key managerial personnel (KMP), employees, shareholders, creditors and customers, the Board of Directors appointed M/s. Shailesh Indapurkar & Associates, Company Secretaries for conducting voluntary Secretarial Audit for F.Y. 2019-20.

## 15.0 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### 15.1 Conservation of Energy

The Company continues its focus on energy conservation. In existing facilities, energy usage was optimized by constant monitoring; avoiding wastage and strict preventive maintenance of all equipment's to ensure their efficient operation.

### 15.2 Technology Absorption

During the period under review, the Company has not incurred any costs on technology absorption.

### 15.3 Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange earnings were Rs.0.84 Lakhs and the foreign exchange outgo was NIL.

## 16.0 SIGNIFICANT AND MATERIAL ORDERS, OBSERVATIONS

**16.1 Significant and Material Orders** - There are no significant and material orders by the Courts or Tribunals impacting the going concern status and Company's operations in future.

**16.2 Audit Observation-** There are no adverse audit observations by the Cost Auditor.

The following observation is mentioned in the Auditor's Report on the Standalone Accounts:

1. The final dividend for the year 2018-19 was declared on September 24, 2019. However, the said final dividend on account of 500 shares transferred to IEPF authority for the year 2018-19 of Rs.1500/- could not be transferred to bank account of IEPF authority due to technical glitches in process.

### Clarification by the Company:

Equity shares 500 in nos. in respect of two shareholders viz. Mr. Ramakant Radhelal Srivastava (Folio No.28) and Mr. Prakash Patil (Folio No.130) were transferred in favour of 'Investor Education and Protection Fund' authority on October 30, 2017, pursuant to IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) notified on September 07, 2016.

Form No. IEPF-4 (statement of shares transferred to the IEPF) uploaded on the Ministry of Corporate Affairs (MCA) portal in that regard was approved by MCA.

In the meanwhile, General Circular dated October 16, 2017 was issued by MCA whereby it was stated that the shares

transferred in the name of IEPF authority be transferred to Demat accounts of IEPF authority by way of corporate action. In the said circular it was also stated that any cash benefits including dividend on account of shares transferred to IEPF authority be transferred by companies to bank account opened by IEPF authority with Punjab National Bank which has been linked to demat accounts.

However, though the aforesaid circular provided for transferring the physical shares in the name of IEPF authority in dematerialized form of IEPF authority, the process for effecting such dematerialization is not clear. The Company had approached time and again to its Registrar and Transfer Agent (RTA) as well as NSDL for seeking inputs in the matter. However, till date the process of converting the physical shares in the name of IEPF authority in dematerialised form is not known.

Further, as regards the final dividend for the year 2017-18 in respect of shares transferred to IEPF authority, then nowhere the mechanism for remittance of amount to be credited to Fund into specified account of IEPF Authority maintained in the Punjab National Bank was prescribed and even Punjab National Bank branch in Pune could not guide in that regard. Email seeking guidance as to how to ensure payment of amount in Punjab National Bank was sent to IEPF Authority on iepf@mca.gov.in on October 16, 2018 but no response was received. Therefore, in order to ensure compliance of payment of dividend within 30 days from the date of declaration, the Account Payee Cheque drawn in favour of 'IEPF' towards final dividend for the year 2017-18 in respect of shares credited to the Fund was dispatched through Speed Post to IEPF Authority office in New Delhi vide speed post on October 24, 2018. However, the cheque issued in favour of IEPF Authority was not encashed i.e. the amount has been remaining unclaimed.

Therefore, the final dividend for 2017-18 in respect of aforesaid 500 shares was credited to the IEPF through 'Pay Miscellaneous Fee' option on MCA portal.

The final dividend for the year 2018-19 was paid through NEFT mode to the designated bank account of IEPF authority with Punjab National Bank. However, on verification of bank statement it was observed that the said transaction was reversed by the bank. Also, the eForm IEPF-7 uploaded in this regard on Ministry of Corporate Affairs portal was marked for re-submission by citing the reason that name of the company is not shown in any depository participant i.e. NSDL/CDSL.

As such, Company has been taking every possible effort to ensure that the physical shares in the name of IEPF be converted into dematerialized form. Towards this end, the Company has been constantly trying to seek assistance from authorities including its RTA.

#### **The following Qualified Opinion is mentioned in the Auditor's Report on the Consolidated Accounts:**

1. As stated in the Note XX to the Consolidated financial statements, the audited financial statements of a Joint Venture, MKCL Arabia Ltd (JV) are not available and the consolidation has been carried out on the basis of unaudited financial statements. Further, information and reasons for reduction of Rs. 305.65 lakhs in company's share in the reserves of the JV and information pertaining to certain related parties of JV is not available. We are unable to ascertain the impact on the consolidated financial statements of the company including the requirement for preparation of the consolidated financial statements of the JV, for want of the audited financial statements and sufficient information.

#### **Clarification by the Company:**

In the report to Consolidated Financial Statements (CFS), the statutory auditors have given a qualified opinion with respect to consolidation effect of financial statements of Company's foreign Joint Venture MKCL Arabia Limited Riyadh, Saudi Arabia. This opinion is based on the fact that Company was unable to provide audited financial statements as the same was not received by the Company from the JV partner till the date of audit of finalization of consolidated accounts. Also, there was a difference in the retained earnings figure as per the unaudited financial statements as on March 31, 2020 and calculated based on the opening audited financial figures i.e. as on March 31, 2019 to the tune of Rs.305.66 lakhs resulting into reduction in company's share of reserves of MKCL Arabia Ltd. In addition to this, transactions relating to related parties of MKCL Arabia were also not available as observed by the auditors.

Based on available unaudited information, the Company has shown reduction in carrying amount of investment of MKCL Arabia Limited of Rs.305.66 lakhs on prudent basis with corresponding reduction in reserves in consolidated financial statements. The Company has disclosed this reduction of Rs.305.66 lakhs vide note no. 44 to the Consolidated Financial Statements. This reduction in carrying amount of investment and reserves will be re-examined by the company after getting the audited financial statements and other sufficient audited information from MKCL Arabia Ltd in the financial year 2020-21 to resolve this qualification made by auditors.

#### **The following observation is mentioned in the Secretarial Auditor's Report:**

Forms, returns, documents and resolutions required to be filed with the Registrar of Companies except:

- a. Company has filed form no. IEPF 7 for payment of dividend for the year ending 31st March 2019 on the shares transferred to IEPF (Investor Education and Protection Fund). However due to technical issue in demat of those transferred shares,



company need to process the payment again and file the said form.

#### **Clarification by the Company:**

The final dividend for the year 2018-19 was paid through NEFT mode to the designated bank account of IEPF authority with Punjab National Bank. However, on verification of bank statement it was observed that the said transaction was reversed by the bank. Also, the eForm IEPF-7 uploaded in this regard on Ministry of Corporate Affairs portal was marked for re-submission by citing the reason that name of the company is not shown in any depository participant i.e. NSDL/CDSL.

As such, Company has been taking every possible effort to ensure that the physical shares in the name of IEPF be converted into dematerialized form. Towards this end, the Company has been constantly trying to seek assistance from authorities including its Registrar & Transfer Agent.

### **17.0 COMPLIANCE TO SECRETARIAL STANDARDS**

During the year under report, the Company has complied with all the applicable Secretarial Standards (“SS”) issued by the Institute of Company Secretaries of India viz. SS- 1 for Board Meeting, SS-2 for General Meetings, SS-3 for Dividend and SS-4 for Boards’ Report.

### **18.0 DIRECTORS’ RESPONSIBILITY STATEMENT**

Pursuant to requirements of section 134 (3) (c) of the Companies, Act, 2013, the Directors confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) the directors 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 of the company for that period.
- iii) The Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the Annual Accounts on a going concern basis.
- v) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **19.0 INTERNAL FINANCIAL CONTROL**

The Company has a proper and adequate system of internal financial control commensurate with the size and nature of business. The Company’s Internal financial controls operate effectively and ensure orderly and efficient conduct of its business including adherence to its policies, safeguard its assets, prevent and detect frauds and errors, maintain accuracy and completeness of its accounting records and further enable it in timely preparation of reliable financial information.

There are no material changes and commitments, if any, affecting the financial position of the company after March 31, 2020 and before the date of the report.

The Company has done the review documentation & testing of controls w.r.t. Internal Financial Control through our Internal Auditors namely Natu & Pathak Chartered Accountants, Pune. Their report is duly considered by the Audit Committee & we find that there are no adverse observations being made in the report.

### **20.0 INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

#### **20.1 Transfer of Dividend to IEPF**

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (“the Rules”), all unpaid or unclaimed dividends are required to be transferred by the Company to IEPF established by the Government of India, after the completion of seven years. The amounts transferred to IEPF during

the year are as below:

1. Amount of unclaimed/unpaid dividend and the corresponding shares transferred to IEPF -
  - Amount of unclaimed dividend for the year 2011-12 of Rs.4313/- transferred to IEPF on October 24, 2019.
2. Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares which are liable to be transferred to the IEPF, and the due dates for such transfer:

For the Year	Amount of Dividend to be transferred to IEPF	Due Date of transfer to IEPF	Corresponding shares liable to be transferred
2012-13	Rs.41,562.50	October 05, 2020	Nil
2013-14	Rs.66,812.50	November 30, 2021	Nil
2014-15	Rs.30,350.00	November 27, 2022	Nil
2015-16	Rs.69,650.00	November 27, 2023	Nil
2016-17	Rs.98,750.00	November 25, 2024	Nil
2017-18	Rs.1,78,625.00	November 29, 2025	Nil
2018-19	Rs.92,925.00	November 28, 2026	375

The Details of the same are provided on Company's website [www.mkcl.org](http://www.mkcl.org).

3. The amount of donation, if any, given by the Company to the IEPF - Nil
4. Such other amounts transferred to the IEPF, if any, during the year

The Company had transferred Rs.1500/- towards dividend for F.Y. 2018-19 on February 18, 2020 through NEFT mode to the designated bank account of IEPF authority with Punjab National Bank. However, on verification of bank statement, it was observed that the said transaction was reversed by the bank. Also, the eForm IEPF-7 uploaded in this regard on Ministry of Corporate Affairs portal was marked for re-submission by citing the reason that name of the company is not shown in any depository participant i.e. NSDL/CDSL.

## 20.2 Details of Shares transferred to IEPF

Further, according to the Rules, the shares on which dividend has not been claimed or paid by the shareholders for seven consecutive years or more shall be transferred to the IEPF Authority.

Accordingly, 500 shares till date were transferred as per the requirement of IEPF rules.

During the year under report, the Company was not required to transfer any shares to the IEPF.

## 20.3 Details of the Nodal Officer

The details of the nodal officer appointed by the Company under the provisions of IEPF are as follows:

<b>Name:</b>	Ms. Komal Chaubal
<b>Designation:</b>	Chief Executive Officer, Company Secretary and Chief Legal Officer
<b>Address:</b>	Maharashtra Knowledge Corporation Limited ICC Trade Towers, 'A' Wing, 5 <sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411016, Maharashtra, India
<b>Contact Details:</b>	020-40114515 Email: <a href="mailto:cs@mkcl.org">cs@mkcl.org</a>

The details are also available on the website at <https://www.mkcl.org/for-shareholders>.

## 21.0 ANNEXURES

### 21.1 CSR Reporting

In accordance to Section 135 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable provisions, CSR Report submitted by the CSR Committee of MKCL is appended as *Annexure I* to the Board's Report.

### 21.2 Salient features of the financial statement of subsidiaries/associate companies/joint ventures

In accordance to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Detailed Statement containing salient features of financial statement of subsidiaries/associate companies/joint ventures in Form AOC-I is appended as *Annexure II* to the Board's Report.

### 21.3 Particulars of contracts/arrangements with related parties

In accordance to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is appended as *Annexure III* to the Board's Report.

All transactions of the Company with its Associate Companies were "arm's length transactions" and in the ordinary course of business. As such, all the transactions are exempted from the purview of section 188 of the Companies Act, 2013.

### 21.4 Extract of Annual Return

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as *Annexure IV* to the Board's Report. The copy of Annual return shall be placed on the website of the company after approval of the Board on the web-link <http://www.mkcl.org/downloads>.

## 22.0 ACKNOWLEDGEMENTS

Your Directors sincerely acknowledge the continued support and co-operation received from the Customers, Government, Network Partners, Business Partners, Vendors, Bankers and Consultants of the Company. The Directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by every employee of the Company. Lastly, your Directors are grateful for the confidence and faith shown by the members of the Company in them.

For and on behalf of the Board of Directors  
Maharashtra Knowledge Corporation Limited

Veena Kamath  
Managing Director  
DIN: 06454315

Dr. Anant Sardeshmukh  
Director  
DIN: 00383994

Place : Pune, INDIA.  
Date : August 20, 2020

**ANNEXURE I**

**CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FINANCIAL YEAR 2019-2020**

**1. Brief outline of Company's CSR policy**

Maharashtra Knowledge Corporation Limited (MKCL) had as per its CSR Policy for F.Y. 2019-2020 decided to contribute the amount required to be spent on CSR activities to the Prime Minister's National Relief Fund.

**2. The Composition of CSR Committee**

The composition of CSR Committee comprises of two Independent Directors and one Managing Director as follows-

Dr. Anil Kakodkar	-Chairman	Independent Director
Dr. Rajaram Deshmukh		Independent Director
Ms. Veena Kamath		Managing Director

**3. Average Adjusted Net profits of the Company for last three financial years**

Year	Adjusted Net profits (Rs.)
2016-17	36,15,31,697
2017-18	46,51,92,376
2018-19	56,92,37,984
<b>TOTAL</b>	<b>139,59,62,057</b>

**Average Net Profit:**

Total Profit during three preceding financial years/3 = Rs.46,53,20,686/-

**4. Prescribed CSR expenditure (2% of Average Net profits of last three financial years)**

2% of Rs.46,53,20,686/- = Rs.93,06,415/-

**5. Details of CSR spent during the financial year.**

(a) Total amount be spent for the financial year 2019-20: Rs.93,06,415/-

(b) Amount unspent, if any : Nil

(c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR project or activity identified	Sector in which project is identified	Projects or Programs 1) Local Area or other 2) Specify the State and District where project or programs were undertaken	Amount outlay (Budget) project or program wise	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on project/ programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent directly or through implementing agency
1.	Contribution to the Prime Minister's National Relief Fund	----N.A.----	----N.A.----	----N.A.----	Direct Rs.93,06,415/-	Rs.93,06,415/-	Direct
<b>Total</b>						<b>Rs.93,06,415/-</b>	

The CSR Committee ensures that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company.

**Dr. Anil Kakodkar**  
Chairman-CSR Committee  
DIN: 03057596

**Dr. R.B. Deshmukh**  
Committee Member  
DIN:01690786

**Veena Kamath**  
Managing Director  
DIN: 06454315

Date: June 19, 2020  
Place: Pune, India.



**ANNEXURE II**

**Form AOC-I**

(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 subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

1. Sl. No.	:	<b>A. For Indian Subsidiary</b>	
2. Name of the subsidiary	:	<b>MKCL Knowledge Foundation ICC Trade Towers, "B" Wing, 5<sup>th</sup> Floor, Unit No. 501 to 504, Senapati Bapat Road, Shivajinagar, Pune-411016</b>	
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	<b>Same as the Holding Company</b>	
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	:	<b>N.A.</b>	
5. Share capital	:	<b>Rs. 2,00,00,000/-</b>	
6. Reserves & Surplus	:	<b>Rs. 93,47,618/-</b>	
7. Total assets	:	<b>Rs. 21,78,43,558/-</b>	
8. Total Liabilities	:	<b>Rs. 21,78,43,558/-</b>	
9. Investments	:	<b>NIL</b>	
10. Turnover	:	Revenue from Operations	<b>: Rs. 2,91,590/-</b>
		Other Income	<b>: Rs. 1,42,24,613/-</b>
11. Income/(Loss) before taxation	:	<b>Rs. 1,16,905/-</b>	
12. Provision for taxation	:	<b>NIL (Section 8 Company)</b>	
13. Income/(Loss) after taxation	:	<b>Rs. 1,16,905/-</b>	
14. Proposed Dividend	:	<b>N.A.</b>	
15. % of shareholding	:	<b>100%</b>	

The company, during the year reviewed the control over MKCL Knowledge Foundation (MKCLF) for the purpose of its inclusion in the Consolidated Financial Statements. Since MKCLF is a not for profit company, the Companies Act 2013, prohibits any distribution of dividend and as such the company does not have an exposure or right to any variable returns from its investments. Accordingly, though MKCLF would be continued to be treated as a subsidiary under the Companies Act, 2013, the same is not included for consolidation in the consolidated financial statements from the year 2019-20 in view of control criterions under Ind AS 110, 'Consolidated Financial Statements'.

## Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Joint Ventures	Odisha Knowledge Corporation Limited	Haryana Knowledge Corporation Limited
<b>1. Latest audited Balance Sheet Date</b>	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2020
<b>2. Shares of Joint Ventures held by the company on the year end</b>		
No.	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each
Amount of Investment in Joint Venture	Rs.60,00,000	Rs.60,00,000
Extent of Holding %	50%	30%
<b>3. Description of how there is significant influence</b>	As per Ind AS guidelines	As per Ind AS guidelines
<b>4. Reason why the joint venture is not consolidated</b>	Consolidation is done by Equity method	Consolidation is done by Equity method
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	Rs.6,87,39,499/-	Rs.6,39,13,491/-
<b>6. Profit /(Loss) for the year</b>	NPBT Rs.32,81,085/-  NPAT Rs.22,47,286/-	NPBT Rs.9,47,29,580/-  NPAT Rs.6,91,83,249/-
<b>i. Considered in Consolidation (net of unrealised profit)</b>	Rs.6,83,78,694/-	Rs.6,38,62,148/-
<b>ii. Not Considered in Consolidation</b>	N.A.	N.A.

Note - Consequent to withdrawal of the nominee directors from the Board of Directors of Rajasthan Knowledge Corporation Limited during the year 2016-17, (RKCL) the company has during the year 2019-20 reviewed the joint control over RKCL and discontinued its classification as a Joint Venture entity. Its consolidation has also accordingly been discontinued from the year 2019-20.

Name of Foreign Joint Ventures	MKCL Arabia Limited
1. Latest unaudited Balance Sheet Date	31 <sup>st</sup> March, 2020
2. Shares of Joint ventures held by the company on the year end	
No.	500 shares @ SAR 1000 each
Amount of Investment in Joint Venture	Rs.86,79,500/-
Extent of Holding %	50%
3. Description of how there is significant influence	As per Ind AS guidelines
4. Reason why the Associate/Joint Venture is not consolidated	Consolidation is done by Equity method
5. Networth attributable to Shareholding as per latest unaudited Balance Sheet	Rs.4,49,75,355/-
6. Profit /(Loss) for the year	NPBT Rs.3,16,19,398/-
i. Considered in Consolidation	Rs.4,49,75,355/-
ii. Not Considered in Consolidation	N.A.

## ANNEXURE III

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions: N.A.
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions: N.A.
- (f) Date(s) of approval by the Board: N.A.
- (g) Amount paid as advances, if any: N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: - N.A.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: **As per below table**
- (b) Nature of contracts/arrangements/transactions: **Transactions in ordinary course of Business - As per below table.**
- (c) Duration of the contracts / arrangements/transactions: **As per below table**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: - **As per below table**
- (e) Date(s) of approval by the Board, if any: **As per below table**
- (f) Amount paid as advances, if any: **NIL**

- (a) Name(s) of the related party and nature of relationship:

#### 1. Haryana Knowledge Corporation Limited (Joint Venture Company)

Projects	Nature of Contract	Duration of Contract	Value	Date of Board Approval
National Digital Literacy Mission (NDLM)	Business Support services	April 01, 2017 up to March 31, 2019	Rs.6/- per Candidate appeared in the examination inclusive of taxes.	November 15, 2017
D.Ed. Admissions	Admission	April 01, 2017 up to March 31, 2020	HKCL shall pay to MKCL 40% plus taxes of the total revenue booked as per the agreement executed between HKCL & State Council of Educational Research & Training, Haryana (SCERT).	January 31, 2017
Digital University software framework	Admission	April 01, 2014 upto March 31, 2021	MKCL Share shall be 50% of the price quoted by HKCL to its customer plus applicable taxes.	January 31, 2017
OASIS-Online Recruitment & Admission	Recruitment & Admission	August 01, 2017 up to July 31, 2019	MKCL Share 55% plus taxes of the price quoted by HKCL to its customer after confirmation from MKCL.	January 31, 2017
Haryana Staff Selection Commission (HSSC)	Recruitment	April 01, 2017 up to December 14, 2019	MKCL Share 55% plus taxes of the price quoted by HKCL to its customer after confirmation from MKCL	January 31, 2017

Projects	Nature of Contract	Duration of Contract	Value	Date of Board Approval
Wave Courses	Skill Development Support Services	November 1, 2017 to October 31, 2022	Rs.225/- plus Applicable taxes per confirmed learner	November 15, 2017
Directorate of Medical Education & Research (DMER)- Haryana	Nursing admissions DMER	April 01, 2019 to 31st July 2020	HKCL shall pay to MKCL 40% plus taxes of the total revenue booked as per the agreement executed between HKCL & Directorate of Medical Education & Research (DMER)- Haryana.	January 31, 2017
MKCL Secured eTendering System (SeTs)	eTendering Services	August 15, 2019 to July 31, 2020	HKCL shall pay to MKCL 70% plus taxes of the total revenue booked as per the agreement executed between HKCL & its client.	January 31, 2017
HS-CIT	Admission	February 01, 2019 to March 31, 2024	Rs.175/- plus Applicable taxes per confirmed learner	September 15, 2014
HS-CIT Re-exam	Admission	February 01, 2019 to March 31, 2024	Rs.70/- plus Applicable taxes per confirmed learner	September 15, 2014
HS-CIT NCR	Admission	February 01, 2019 to March 31, 2024	Rs.5200/- plus Applicable taxes per confirmed learner	September 15, 2014
HS-CIT CR	Admission	February 01, 2019 to March 31, 2024	Rs.1600/- plus Applicable taxes per confirmed learner	September 15, 2014
ONCET	Admission	February 01, 2019 to March 31, 2024	Rs.400/- plus Applicable taxes per confirmed learner	September 15, 2014
Wave Re-exam	Admission	November 01, 2017 to October 31, 2022	Rs.75/- plus Applicable taxes per confirmed learner	November 15, 2017
HSDM	Skill Development Support Services	January 01, 2019 to December 31, 2019	Rs.27.75 per candidate per course for Center Life Cycle Management system, Rs.27.75 per candidate per course for Candidate Administrative Life Cycle Management system and Rs.27.15 per candidate per course for eExamination Management System (Rates are exclusive of applicable Taxes)	March 05, 2018
BDIP's Share for KLiC Certificate Courses	Skill Development Support Services	November 1, 2016 to August 31, 2021, Amended during the year w.e.f January 01, 2020	Rs.225/- inclusive of all applicable Taxes per learner for 120 hours courses and Rs.113/- inclusive of all applicable taxes per learner for 60 hours courses	March 03, 2016
BDIP's Share for KLiC Diploma Courses	Skill Development Support Services	November 1, 2016 to August 31, 2021, Amended during the year w.e.f January 01, 2020	Rs.444/- inclusive of all applicable Taxes per learner for 120 hours courses and Rs.113/- inclusive of all applicable taxes per learner for 60 hours courses	March 03, 2016



BDP- Helpdesk Operations (HSSPP)	Man power Support	December 01, 2014 to November 30, 2019. Amended from October 01, 2019	Man month @ Rs.15000/- per head plus applicable Taxes up to September 2019 and Rs. 18000/- per head plus applicable Taxes October 2019 onwards	October 15, 2019
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Nature of Income	Total Income
Sale of books to Haryana Knowledge Corporation Limited	Rs.20 Lakhs
For other service charges to Haryana Knowledge Corporation Limited (Including GST)	Rs.942.56 Lakhs
Dividend received from Haryana Knowledge Corporation Limited	NIL

Nature of Expenses	Total Expenses
Purchase of Goods/Services	Rs.11.14 Lakhs

## 2. Odisha Knowledge Corporation Limited (Joint Venture Company)

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
GPS-Mapping	Mapping Software	April 01,2018 March 31, 2019	Rs.10/- per monitoring Report plus applicable taxes and Annual fees: (Maintenance and Server infrastructure charges) Rs.100/- (Rupees One Hundred only) per School for 4000 schools, plus applicable taxes.	November 18, 2015
OS-CIT	Admission	April 1, 2018 to March 31, 2023	Rs.175/- plus Applicable taxes per confirmed learner	April 04, 2013
OS-CIT Re-exam	Admission	April 1, 2018 to March 31, 2023	Rs.70/- plus Applicable taxes per confirmed learner	April 04, 2013
OS-CIT NCR	Admission	April 1, 2018 to March 31, 2023	Rs.5200/- plus Applicable taxes per confirmed learner	April 04, 2013
OS-CIT CR	Admission	April 1, 2018 to March 31, 2023	Rs.1600/- plus Applicable taxes per confirmed learner	April 04, 2013
Employment Assistant Services to youths (EASY)	Training under EASY Framework	October 16, 2019 to October 15, 2020	Monthly stipend Rs.8000/- for maximum of 20 interns & Rs.7000/- per month per intern plus applicable taxes for Facility Utilization charges.	November 18, 2019
BDIP's Share for KLiC Certificate Courses	Skill Development Support Services	November 1, 2016 to August31, 2021, Amended during the year w.e.f January 01, 2020	Rs.225/-inclusive of all applicable Taxes per learner for 120 hours courses and Rs.113/-inclusive of all applicable taxes per learner for 60 hours courses	March 03, 2016

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
BDIP's Share for KLiC Diploma Courses	Skill Development Support Services	November 1, 2016 to August 31, 2021, Amended during the year w.e.f January 01, 2020	Rs.444/- inclusive of all applicable Taxes per learner for 120 hours courses and Rs.113/- inclusive of all applicable taxes per learner for 60 hours courses	March 03, 2016

Nature of Income	Total Income
Sale of books to Odisha Knowledge Corporation Limited	Nil
For other service charges to Odisha Knowledge Corporation Limited	Rs.35.88 Lakhs
Dividend received from Odisha Knowledge Corporation Limited	Nil

Nature of Expenses	Total Expenses
Purchase of Goods/Services & expenses reimbursed	Rs.31.36 Lakhs

**3. MKCL Knowledge Foundation (100% Wholly Owned Indian Subsidiary)**

Nature of Contract	Duration of Contract	Amount charged	Date of Board approval
Business Center Facilities	5 years up to 31 <sup>st</sup> July, 2020	Rs. 5.53 Lakhs	August 5, 2015
MKCL Success Academy	4 years up to 31 <sup>st</sup> March, 2022	Rs. 1.40 Lakhs	March 5, 2018

**4. MKCL Arabia Ltd. (Foreign Joint Venture)**

Nature of Contract	Duration of Contract	Value	Date of Board Approval
Royalty	--	--	--
Dividend received	--	Rs.449.06 Lakhs	--

## ANNEXURE IV

### Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i) CIN:	U80302PN2001 PLC135348
ii) Registration Date:	August 20, 2001
iii) Name of the Company:	Maharashtra Knowledge Corporation Limited
iv) Category / Sub-Category of the Company:	Indian Non-Government Public Company
v) Address of the Registered office and contact details :	ICC Trade Towers, 'A' Wing, 5 <sup>th</sup> Floor, Senapati Bapat Road, Shivaji Nagar, Pune 411 016, Maharashtra, India. Contact no.: 020 4011 4500 Email id: cs@mkcl.org Website: www.mkcl.org
vi) Whether listed company Yes / No:	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Yes (for only dematerialized mode) The details are as below:

Head Office	Alankit Assignments Limited RTA & DP Division Alankit Hosue", 4E/2, Jhandewalan Extension, New Delhi-110055 Tel.: 011-42541234 / 23541234 Fax: 011- 42541201 Website: https://www.alankit.com/
Regional Office - Mumbai	Alankit Assignments Limited R. R. House, Ideal Industrial Estate Opp. New Empire Mills, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013. Tel.: 022-43481200 / 300 / 43481268 / 278 Fax: 022-40581266 / 267
Regional Office - Pune	Alankit Assignments Limited CTS-1328, 1st Floor, Vardhman Heights, 1st Floor, Near Telephone Exchange Office (above Tata Docomo office) Bajirao Road, Pune 411002. Tel.: +91-20-6510 5041 - 42

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Educational Courses, Skill Development Courses viz. MS-CIT (Maharashtra State Certificate in Information Technology), KLiC (Knowledge Lit Careers) certificate Courses.	8522	62.20%
2	Services through Admission, Examination and Recruitment Software Frameworks viz. MKCL's Online Application Solutions Digital University (DU), eGovernance and Educational eGovernance services and others.	6311	37.80

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	MKCL Knowledge Foundation ICC Trade Towers, B wing, 5 <sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411016, India.	U74900PN2014NPL152468	Subsidiary	100%	Sec. 2 (87)
2	Rajasthan Knowledge Corporation Limited 7A, Jhalana Doongri Jaipur, Rajasthan 302004, India.	U80302RJ2008PLC026433	Associate	30%	Sec. 2 (6)
3	Odisha Knowledge Corporation Limited Plot No. 108/3607, Jaydev Vihar Behind Pal Heights, Bhubaneswar, Odisha 751013.	U72200OR2011PLC014185	Associate	50%	Sec. 2 (6)
4	Haryana Knowledge Corporation Limited 4 <sup>th</sup> Floor, HSIIDC IT Park, Plot no. 1, Sector 22, Panchkula, Haryana 134109, INDIA.	U80904HR2013PLC050331	Associate	30%	Sec. 2 (6)
5	MKCL Arabia Limited Riyadh, Kingdom of Saudi Arabia, P.O. Box 10524, 11646	1010243561	Associate	50%	Sec. 2 (6)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A) (1)</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>
(2) Foreign									
a) NRI - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
<b>B. Public Shareholdings</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (Investor Education and Protection Fund)	Nil	500	500	0.00	Nil	500	500	0.00	Nil
Educational Institutions	12500	8425	20925	0.26	12500	8425	20925	0.26	Nil
Sub-Total (B) (1)	12500	8925	21425	0.26	12500	8925	21425	0.26	Nil
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	34031	5000	39031	0.48	30774	Nil	30774	0.38	(20.83)
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	88695	415715	504410	6.24	173867	345050	518917	6.42	2.88



Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	470669	792185	1262854	15.63	685479	571125	1256604	15.55	(0.49)
c) Others (specify)									
Universities	Nil	2740000	2740000	33.91	Nil	2740000	2740000	33.91	Nil
Autonomous Bodies	Nil	185000	185000	2.29	Nil	185000	185000	2.29	Nil
Regd. Trusts, Societies	Nil	327475	327475	4.05	Nil	327475	327475	4.05	Nil
Sub-Total (B) (2)	593335	4465375	5058770	62.61	890120	4168650	5058770	62.61	Nil
Total Public Shareholding (B) = (B) (1) + (B) (2)	605895	4474300	5080195	62.86	902620	4177575	5080195	62.86	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	605895	7474300	8080195	100.00	902620	7177575	8080195	100.00	Nil

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of shares held at the end of the year			No. of shares held at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1	Government of Maharashtra	3000000	37.13	Nil	3000000	37.13	Nil	Nil
	Total	3000000	37.13	Nil	3000000	37.13	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Government of Maharashtra	At the beginning of the year	3000000	37.13	3000000	37.13
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	3000000	37.13	3000000	37.13

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For each of the top 10 shareholders				
1. Dr. Babasaheb Ambedkar Marathwada University, Aurangabad	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
2. Savitribai Phule Pune University	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
3. University of Mumbai	At the beginning of the year	370000	4.58	370000	4.58

	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>4. Sant Gadgebaba Amravati University, Amravati</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>5. Rashtrasant Tukadoji Maharaj Nagpur University</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>6. Shivaji University, Kolhapur</b>	At the beginning of the year	310000	3.84	310000	3.84
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	310000	3.84	310000	3.84
<b>7. Yahswantrao Chavan Maharashtra Open University</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>8. Swami Ramanand Teerth Marathwada University, Nanded</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil

	At the end of the year	185000	2.29	185000	2.29
<b>9. Kavayitri Bahinabai Choudhary North Maharashtra University, Jalgaon</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>10. Secretary, Maharashtra State Board of Technical Education</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>11. Mehmooda Shikshan &amp; Mahila Gramin Bahuuddeshiya Sanstha</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1. Veena Kamath, Managing Director</b>	At the beginning of the year	18500	0.22	18500	0.22
	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	18500	0.22	18500	0.22
<b>2. Komal Chaubal, Company Secretary &amp; Chief Legal Officer</b>	At the beginning of the year	6500	0.08	6500	0.08

	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	6500	0.08	6500	0.08

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii+ iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction				
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i +ii + iii)</b>	NIL	NIL	NIL	NIL

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Mr. Vivek Sawant	Ms. Veena Kamath	
		Managing Director	Managing Director	
		From April 01, 2019 to December 31, 2019	From January 01, 2020 to March 31, 2020	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	78,99,973/-	11,52,263/-	90,52,236/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.6,50,247/-	Rs.70,920/-	Rs.7,21,167/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-

4.	Commission - as % of profit - Others, specify...	-	-	-
5.	Others, please specify -Employers Contribution to Provident Fund	Rs.4,00,734/-	Rs.72,936/-	Rs.4,73,670/-
	<b>Total (A)</b>	<b>Rs. 89,50,954/-</b>	<b>Rs.12,96,119/-</b>	<b>1,02,47,073/</b>
	Ceiling as per the Act	<b>2,59,99,528/-</b>	<b>86,66,510/-</b>	<b>3,46,66,038/-</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors (in Rs.)						Total Amount (in Rs.)
		Dr. Anil Kakodkar	Dr. Deepak Phatak	Dr. R. B. Deshmukh	Dr. Anant Sardeshmukh	Dr. C. D. Mayee	Mr. Girish Sohani	
1	Independent Directors	Dr. Anil Kakodkar	Dr. Deepak Phatak	Dr. R. B. Deshmukh	Dr. Anant Sardeshmukh	Dr. C. D. Mayee	Mr. Girish Sohani	
	Fee for attending board/committee meetings	1,10,000	1,00,000	1,40,000	1,40,000	90,000	1,40,000	7,20,000
	Commission	---	---	---	---	---	---	---
	Others, please specify - - Conveyance - Fees for attending other Meetings.	----	31,737	7,410	8,410	57,378	8,470	1,13,405
	<b>Total (1)</b>	<b>1,10,000</b>	<b>1,31,737</b>	<b>1,47,410</b>	<b>1,48,410</b>	<b>1,47,378</b>	<b>1,48,470</b>	<b>8,33,405</b>
	Other Non-Executive Directors	Prof. E. Vayunandan	Prof. Suhas Pednekar	Mr. S.V.R. Srinivas	---	---	---	---
	Fee for attending board/committee meetings	10,000	10,000	---	---	---	---	20,000
2	Commission	---	---	---	---	---	---	---
	Others, please specify - Conveyance - Fees for attending other Meetings.	9,000	6,500	---	---	---	---	15,500
	<b>Total (2)</b>	<b>19,000</b>	<b>16,500</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>35,500</b>
	<b>Total (B)=(1+2)</b>	<b>1,29,000</b>	<b>1,48,237</b>	<b>1,47,410</b>	<b>1,48,410</b>	<b>1,47,378</b>	<b>1,48,470</b>	<b>8,68,905</b>
	Total Managerial Remuneration	---	---	---	---	---	---	---
	Overall Ceiling as per the Act	---	---	---	---	---	---	---



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Komal Chaubal Chief Executive Officer & Company Secretary	Manoj Narvekar Chief Financial Officer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.35,92,169/-	Rs.29,80,972/-	Rs.65,73,141/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission - as % of profit - Others, specify...	---	---	---
5.	Others, please specify Employers Contribution to PF	Rs.1,74,420/-	Rs.1,66,320/-	Rs.3,40,740/-
	<b>Total</b>	Rs.37,66,589/-	Rs.31,47,292/-	Rs.69,13,881/-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>B. DIRECTORS</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

For and on behalf of the Board of Directors  
Maharashtra Knowledge Corporation Limited

**Veena Kamath**  
Managing Director  
DIN: 06454315

**Dr. Anant Sardeshmukh**  
Director  
DIN: 00383994

Place : Pune, INDIA.  
Date : August 20, 2020

# INDEPENDENT AUDITOR'S REPORT

To the Members of Maharashtra Knowledge Corporation Limited

Report on the Audit of the Standalone Financial Statements

## 1. Opinion

We have audited the accompanying standalone financial statements of Maharashtra Knowledge Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, statement of Changes in Equity and statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 ('the Act') 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 the state of affairs of the Company as at March 31, 2020, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## 2. Basis for Opinion

We conducted our audit 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 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 3. Emphasis of Matter

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets such as property plant and equipment, receivables, investments and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, policies of the Government and other relevant economic factors. Based on these observed factors, the Company expects that the carrying amount of the assets will be recovered.

However, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of these matters.

## 4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors but does not include the Standalone Financial Statements and our auditor's report thereon. The above reports were made available to us before the date of this auditor's report.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 5. Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility

also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

## 6. Auditor's Responsibilities for the Audit of the 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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 standalone 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.

## 7. 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 Act, we give in the "Annexure 1," a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, 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, 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 Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representations received from the directors as on March 31, 2020, and 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 2" to this report.
  - (g) As per the information and explanations given to us, we report that, the managerial remuneration has been paid and provided in accordance with Section 197 of the Act and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company.
  - (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 financial statements - Refer Note 41 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. According to the information and explanations given to us and based on audit procedures conducted by us, we report that there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

The final dividend for the year 2018-19 was declared on September 24, 2019. However, the said final dividend on account of 500 shares transferred to IEPF authority for the year 2018-19 of Rs.1500/- could not be transferred to bank account of IEPF authority due to technical glitches in process.

**For G. D. Apte & Co**  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 20113053AAAADC9530

**Umesh S. Abhyankar**  
Partner  
Membership Number: 113 053  
Pune, August 20, 2020

**Annexure 1 referred to in Paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date:**

- i.
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) The Company has a regular programme of physical verification of its property, plant and equipment. No material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
  - (c) The title deeds of immovable properties are held in the name of the Company.
- ii. The inventory (excluding inventory with third parties) has been physically verified by the Management during the year at reasonable intervals. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties confirmation letters in respect of physical verification of inventory have been obtained from such parties. As per the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories carried out at the end of the year;
- iii. Based on the audit procedures conducted by us and according to the information and explanations given to us, no loans, secured or unsecured have been granted to companies, firms, limited liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) & (c) of the Order are not applicable to the company.
- iv. Based on the audit procedures conducted by us and according to the information and explanations given to us, in our opinion, the company has not given any loans or securities to any of its directors or to any other person in whom director is interested under section 185. The company has complied with provisions of section 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii.
  - (a) According to the information and explanations given to us and on the basis of our examination of records of the company, in our opinion, the company is regular in depositing the undisputed statutory dues including, provident fund, income tax, Goods and service Tax, cess and other material statutory dues as applicable with appropriate authorities. According to the information and explanations given to us and from the records of the Company, there were no undisputed statutory dues as at the last day of the financial year which were outstanding for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and on the basis of examination of books of account and records of the company, we report that there are no dues in respect of Income tax, Sales tax, Service tax, Customs Duty, Excise Duty, Value added tax, Goods and service tax or cess which have not been deposited on account of any dispute except for following cases:

Name of the statute	Nature of dues	Amount	Years to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	Rs. 7.27 Lakhs	AY 2010-11	Commissioner of Income Tax (Appeals)*

\* The Commissioner of Income Tax (Appeals) has vide order dated June 10, 2014, partly allowed the appeal and redirected the examination of certain issues to the Assessing Officer (AO). Further communications from the AO are still awaited.

- viii. The Company has not availed any loan from any financial institution, bank, government or by way of issue of debentures. Accordingly, reporting under this paragraph regarding default of the company in repayment of dues to financial institution, bank, government or debenture holders is not required.
- ix. During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. As per the information and explanations given to us, we report that, the managerial remuneration has been paid and provided in accordance with Section 197 read with Schedule V to the Companies Act, 2013 and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company within the meaning of Section 406 of the Companies Act, 2013.
- xiii. Based upon the audit procedures performed and as per the information and explanations given to us, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting standards have been disclosed in the Financial Statements.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. Based upon the audit procedures performed and as per the information and explanations given to us, we report that the Company has not entered into any non-cash transactions of the nature as described in Section 192 (1) of the Act.
- xvi. According to the information and explanations given to us and based on audit procedures performed by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For G. D. Apte & Co,**  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 20113053AAAADC9530

**Umesh S. Abhyankar**  
Partner  
Membership Number.: 113 053  
Pune, August 20, 2020



**Annexure-2 referred to in paragraph 7(2)(f) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report on even date on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

To the Members of Maharashtra Knowledge Corporation Limited

We have audited the internal financial controls over financial reporting of Maharashtra Knowledge Corporation Limited (“the Company”) as of March 31, 2020 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s 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 as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 were 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and 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.

**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, 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

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internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For G. D. Apte & Co.**  
Chartered Accountants  
Firm Registration number: 100515W  
UDIN: 20113053AAAADC9530

**Umesh S. Abhyankar**  
Partner  
Membership Number.: 113053  
Pune, August 20, 2020

**MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020**

(Rupees In Lakhs)

Particulars		Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019	
1	<b>ASSETS :</b>				
	<b>Non-Current Assets</b>				
	(a) Property, Plant and Equipment	4	1,565.61	3,160.09	
	(b) Intangible assets	4	9.94	22.07	
	(c) Right of Use Assets	4	1,861.93	-	
	(d) Investment in Subsidiaries and Joint Ventures	5	206.81	485.61	
	(e) Financial Assets				
	(i) Other Investments	6	12,306.02	8,961.85	
	(ii) Other Financial Assets	7	8,589.20	11,660.07	
	(f) Deferred Tax Assets	8	-	216.90	
	(g) Other Non-Current Assets	9	450.55	245.92	
	<b>Total Non - Current Assets</b>		<b>24,990.06</b>	<b>24,752.51</b>	
	2	<b>Current Assets</b>			
		(a) Inventories	10	572.18	483.06
(b) Financial Assets					
(i) Investments		11	2,975.90	3,117.10	
(ii) Trade Receivables		12	4,100.67	2,930.07	
(iii) Cash and Cash Equivalents		13	1,429.14	395.65	
(iv) Bank balance other than (iii) above		14	5,853.58	1,710.00	
(v) Other Financial Assets		15	5,432.20	4,602.15	
(c) Other Current Assets		16	324.42	224.64	
<b>Total Current Assets</b>			<b>20,688.09</b>	<b>13,462.67</b>	
<b>Total Assets</b>		<b>45,678.15</b>	<b>38,215.18</b>		
1	<b>EQUITY AND LIABILITIES :</b>				
	<b>Equity :</b>				
	(a) Equity Share Capital	17	808.02	808.02	
	(b) Other Equity	18	38,234.63	31,679.18	
	<b>Total Equity</b>		<b>39,042.65</b>	<b>32,487.20</b>	
2	<b>Non-Current Liabilities :</b>				
	(a) Financial Liabilities				
	(i) Other Financial Liabilities	19	277.07	0.76	
	(b) Provisions	20	410.20	410.81	
	(c) Deferred Tax Liabilities	8	225.60	-	
(d) Other Non-Current Liabilities	21	8.47	-		
<b>Total Non-Current Liabilities</b>		<b>921.34</b>	<b>411.57</b>		
3	<b>Current Liabilities :</b>				
	(a) Financial Liabilities				
	<b>Trade Payables</b>	<b>22</b>			
	<b>(i) Total outstanding dues of Micro, Small &amp; Medium Enterprises</b>		<b>245.15</b>	<b>224.48</b>	

(ii) Total Outstanding dues of creditors other than Micro, Small & Medium Enterprises		931.57	1,346.26
(iii) Other Financial Liabilities	23	4,225.71	3,428.40
(b) Provisions	24	76.68	74.22
(c) Other Current Liabilities	25	235.05	243.05
<b>Total Current Liabilities</b>		<b>5,714.16</b>	<b>5,316.41</b>
<b>Total Liabilities</b>		<b>6,635.50</b>	<b>5,727.98</b>
<b>Total Equity &amp; Liabilities</b>		<b>45,678.15</b>	<b>38,215.18</b>
Significant Accounting Policies and the accompanying notes form an integral part of the Financial Statements.			

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020**

(Rupees In Lakhs)

Particulars		Note No.	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>I.</b>	<b>INCOME :</b>			
	(a) Revenue from Operations	<b>26</b>	15,790.37	16,442.12
	(b) Other Income	<b>27</b>	4,286.11	2,565.04
	<b>Total Income</b>		<b>20,076.48</b>	<b>19,007.16</b>
<b>II.</b>	<b>EXPENSES :</b>			
	(a) Operating Expenses- on Courses and Programs	<b>28</b>	6,711.18	6,965.14
	(b) Purchases of Stock -in -Trade		1,261.98	1,137.08
	(c) Changes in Inventories of Finished Goods, Work- in-Progress and Stock -in-Trade	<b>29</b>	(175.82)	236.01
	(d) Employee Benefits Expenses	<b>30</b>	3,854.10	3,447.06
	(e) Finance Costs	<b>31</b>	49.87	4.74
	(f) Depreciation and Amortisation Expenses	<b>32</b>	381.05	234.52
	(g) Other Expenses	<b>33</b>	1,106.70	894.70
	<b>Total Expenses</b>		<b>13,189.06</b>	<b>12,919.25</b>
<b>III.</b>	<b>Profit / (Loss) before Tax (I-II)</b>		<b>6,887.42</b>	<b>6,087.91</b>
<b>IV.</b>	<b>Tax Expenses</b>			
	(a) Current Tax		1,505.00	1,520.00
	(b) Deferred Tax		32.48	61.09
	(c) Tax adjustments for earlier years		(1.96)	-
			1,535.52	1,581.09
<b>V.</b>	<b>Profit / (Loss) for the Year (III - IV)</b>		<b>5,351.90</b>	<b>4,506.82</b>
<b>VI.</b>	<b>Other Comprehensive Income (OCI)</b>			
	<u>Items that will not be reclassified to profit or loss</u>			
	(a) Gains/(Loss) on Re-Measurements of Post-Employment Defined Benefit Plans		25.97	(11.11)
	(b) Gains/(Loss) Fair Valuation of Investment in Equity Instrument of Other Companies		1830.00	-
	Income tax relating to items that will not be reclassified to profit or loss		(410.01)	3.24

	Other Comprehensive Income/(Loss) for the year, Net of Tax		1,445.96	(7.87)
VII	Total Comprehensive Income / (Loss) for the period (V+VI)		6,797.86	4,498.95
	Earning Per Equity Share (EPS) (In Rupees)	36		
	Face Value of Rs.10/- Each			
	(a) Basic		66.23	55.78
	(b) Diluted		66.23	55.78
The accompanying notes form an integral part of the Financial Statements.				

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020



**MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH, 2020**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit/(Loss) before tax	6887.42	6087.91
<b>Adjustment for :</b>		
Depreciation	381.05	234.52
Impairment and write off of investment in subsidiary	199.99	-
Provision for Expected Credit Loss	95.20	-
Bad Debts written off	61.48	1.34
Loss/(Gain) on Fair Valuation of Investment	45.81	(112.39)
Finance Cost	49.87	-
Other Non Cash Items	7.25	1.25
Provision for Non Moving Inventory	0.24	-
Dividend Income	(2181.01)	(436.68)
Interest Income on Fixed Deposits with Banks, Long Term Tax Free Bonds & Non Convertible Debentures	(1936.42)	(1757.67)
Old Balances Written Back	(182.21)	(235.23)
Interest on Security Deposit	(5.28)	-
Loss/(Gain) on Sale of Fixed Assets	(0.31)	-
<b>Operating Profit before Working Capital Changes</b>	<b>3423.08</b>	<b>3783.05</b>
<b>Adjustment for changes in operating assets (Increase)/Decrease</b>		
Inventories	(89.36)	236.02
Trade Receivable	(1327.29)	(703.99)
Other Financial Assets Current	204.20	216.82
Other Current Assets	(99.77)	(123.81)
Other Non Current Assets	(3.88)	(27.63)
Bank Balance Other than Cash & Cash Equivalent	(1.61)	0.36
Other Financial Assets Non-Current	2.12	(70.95)
<b>Adjustment for changes in operating liabilities Increase/(Decrease)</b>		
Trade Payables	(394.02)	(285.80)
Other Financial Liabilities Current	844.89	570.29
Other Current Liabilities	(8.00)	63.47
Provision Current	2.47	(25.57)
Other Financial Liabilities Non-Current	(0.76)	(1.48)
Provision Non-Current	(0.61)	(15.87)
Provision Other Non-Current	8.47	-
<b>Cash Generated from Operations</b>	<b>2,559.93</b>	<b>3,614.91</b>
Income tax paid	(1685.22)	(1726.30)
<b>Net Cash from Operating Activities</b>	<b>874.71</b>	<b>1,888.61</b>

<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Property, plant and equipment (Net)	(72.97)	(148.40)
Acquisition of Other Intangible assets (Net)	(2.21)	(5.07)
Proceeds from liquidation of subsidiary (MKCL Int FZE)	18.81	-
Purchase of Investments	(1500.00)	(2400.31)
Bank Deposits (Placed)/Matured - Net	(1093.69)	(954.28)
(Acquisition)/Disposal of liquid mutual funds - Net	365.01	536.70
<u>Dividend Received from:-</u>		
a. Subsidiary	1490.14	256.15
b. Joint Venture	449.06	27.00
c. Other Companies	18.00	-
<u>Interest Received from:-</u>		
a. Long Term Tax Free Bonds	473.34	472.65
b. Fixed Deposits with Banks	416.89	310.89
c. Non Convertible Debentures	8.80	-
<b>Net Cash from Investing Activities</b>	<b>571.18</b>	<b>(1904.67)</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(244.03)	(201.64)
Re-payment of Lease Liability	(168.37)	-
Dividend Distribution Tax Paid	-	(35.84)
<b>Net Cash from Financing Activities</b>	<b>(412.40)</b>	<b>(237.48)</b>
Net Increase / Decrease in Cash & Cash Equivalent	<b>1,033.49</b>	<b>(253.54)</b>
Cash and cash equivalents at the beginning of the year	<b>395.65</b>	<b>649.19</b>
Cash and cash equivalents at the end of the year (Note 13)	<b>1,429.14</b>	<b>395.65</b>
<b>Note to cash flow statement:</b>		
1. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS)-7, 'Statement of Cash Flow' as specified in the Companies (Indian Accounting Standards) Rules, 2015.		
2. Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.		
3. All figures in brackets indicate outflow.		

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**Statement of Change in Equity  
For The Year Ended 31<sup>st</sup> March, 2020**

**A. Equity Share Capital :**

(Rupees In Lakhs)	
Particulars	Amount
Balance as at April 01, 2018	808.02
Changes in Equity Share Capital during the year	-
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>808.02</b>
Balance as at April 01, 2019	808.02
Changes in Equity Share Capital during the year	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>808.02</b>

**B. Other Equity :**

(Rupees In Lakhs)				
Particulars	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total
Balance as at April 01, 2018	6,400.00	21,018.07	-	27,418.07
Profit/(Loss) for the year	-	4,506.82	-	4,506.82
Remeasurement of post-employment benefit obligations- (loss)/ gain	-	(7.87)	-	(7.87)
Transfer to / transfer in to Reserves	500.00	(500.00)	-	-
Final Dividend for F.Y. 2017-18	-	(202.00)	-	(202.00)
Tax on Final Dividend for F.Y. 2017-18	-	(35.84)	-	(35.84)
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>6,900.00</b>	<b>24,779.18</b>	<b>-</b>	<b>31,679.18</b>

Particulars	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total
Balance as at April 01, 2019	6,900.00	24,779.18	-	31,679.18
Profit/(Loss) for the year	-	5,351.90	-	5,351.90
Remeasurement of post-employment benefit obligations- (loss)/ gain	-	19.43	-	19.43
Changes in fair value of Equity Instruments (net of tax)	-	-	1,426.53	1,426.53
Transfer to / transfer in to Reserves	500.00	(500.00)	-	-
Final Dividend for F.Y. 2018-19	-	(242.41)	-	(242.41)
Tax on Final Dividend for F.Y. 2018-19*	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>7,400.00</b>	<b>29,408.10</b>	<b>1,426.53</b>	<b>38,234.63</b>

\*Income Tax on Final Dividend has been fully set off against tax paid u/s 115BBD of Income Tax Act, 1961 on Dividend received from the foreign subsidiary, MKCL International FZE as per the provisions of the Income Tax Act, 1961.

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
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Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020

NOTES TO ACCOUNTS

1. Corporate Information

Maharashtra Knowledge Corporation Limited CIN U80302 PN2001 PLC135348 (“The Company”) is an unlisted public company incorporated in India having its registered office at ICC Trade Tower, ‘A’ Wing 5<sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411016, Maharashtra, India. The Company was promoted by the Department of Higher and Technical Education (H & TE), Government of Maharashtra (GoM), India and was incorporated under the Companies Act, 1956 on 20<sup>th</sup> August, 2001 as a Public Limited Company.

MKCL is a high tech initiative by Government of Maharashtra in design, development and delivery of **eLearning**, **eGovernance**, and **eEmpowerment** programs, technologies, solutions and services and has proven experience in the said fields.

2. Recent Accounting pronouncements

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements. There are no new standards or amendments notified by the Ministry of Corporate Affairs which would have been applicable from April 01, 2020.

3. Significant Accounting Policies

I. BASIS OF PREPARATION AND PRESENTATION OF STANDALONE FINANCIAL STATEMENTS

a) STATEMENT OF COMPLIANCE:

The Standalone Financial Statements are in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The company adopted Ind AS from 1st April, 2018.

The Company has adopted Ind AS 116 ‘Leases’ with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has applied Ind AS 116 using the modified retrospective approach, under which there is no impact as at April 1, 2019 consequent to the transition the comparative information has not been restated.

Except for the above, the Company has consistently applied accounting policies while preparing these Standalone Financial Statements.

b) BASIS OF MEASUREMENT:

The accompanying financial statements of the Company are prepared on historical cost or at amortized cost and accrual basis except for the following assets and liabilities which have been measured at fair value: -

- i) Investments in Equity, Liquid Funds, Mutual Funds, Exchange Traded Funds
- ii) Defined benefit plans.

c) FUNCTIONAL AND PRESENTATION CURRENCY:

The Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (‘the functional currency’). The standalone financial statements are presented in Indian rupee (Rs.) rounded off to nearest lakhs (unless otherwise stated), which is the Company’s functional and presentation currency.

## II. USE OF ESTIMATES & JUDGEMENTS

The preparation of financial statement in conformity with Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/materialized. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

### a) Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets such as receivables, investment in subsidiaries & other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, policies of the Government and other relevant economic factors. Based on these observed factors, the Company expects the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

### b) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 6, note 11 and note 37.

### c) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about defined benefit plans obligations are given in note 40.

### d) Deferred tax

Deferred tax assets are recognized for all the deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused losses can be utilized.

### e) Impairment of financial assets

The Company makes loss allowances for credit impaired debts based on an assessment of the recoverability of trade and other receivables. The identification of credit impaired debts enquires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade



and other receivables and credit impaired debts expenses in the period in which such estimate has been changed.

#### **f) Provisions and Contingent Liabilities**

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts where an outflow of funds is believed to be probable and a reliable estimate of the outcome of an uncontrollable event can be made.

### **III. OPERATING CYCLE**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in notes forming part of these financial statements. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### **IV. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking in to account contractually defined terms of payments and excluding taxes collected on behalf of the government.

#### **a) Income from Programs**

##### **Knowledge Lit Skill Development Program (KLS-DP) and Network Partnerships Management Program (NP-MP)**

Course Fees from MS-CIT, MS-ACIT, KLiC, Mastering and other courses primarily consist of revenue accrued based upon number of learners confirmed i.e when the learners get the user id and login for their respective courses. Full/part amount of course fees is received in advance by the Company and is not refundable. Also there is no remaining obligation relating to the services offered relating to the courses once the learner is confirmed and also all of the performance obligation is transferred to the learner in the form of the course learning. Such confirmed learners are registered on web-based SOLAR application of the company during the current accounting period.

Exam Fees and Re-exam Fees from MS-CIT and KLiC courses are recognized on the basis of learners registered on web-based SOLAR application.

Renewal Fees and New Center Registration fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

##### **Mission Mode Skill Development Program (MMS-DP)**

Income under this program is recognized on the basis of learner's confirmed i.e when the learners get the user id and login for their respective courses. Also there is no remaining obligation relating to the services offered relating to the courses once the learner is confirmed and also all of performance obligation is transferred to the learner in the form of the course learning. Such confirmed learners are registered and other relevant data for revenue booking is received from the web-based SOLAR application as per agreement with customer.

##### **Digital University - Business Development Program (DU-BDP)**

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web-based Digital University application. Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web-based online admission/recruitment application.

The framework is configured in such a way that the services are made available in student/college login. There is no bifurcation of e-Suvidha fees as per the Government GR as well as in the agreement with the Company.

##### **eGovernance Program (eGov-BDP)**

Income under this program is recognized on the basis of contract/agreements with customers and when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the

consideration is probable.

#### **Knowledge Lit Careers Development Program (KLC-DP)**

Revenue under the head MKCL - Finishing School (MFS program) is recognized on the basis of actual student's admission count from the web-based application. The fees collected are non-refundable. Every student is given a laptop on which the content of the degree course is initially downloaded and a login is given to the student for the same. It is a work based learning degree program.

#### **International Business Development Program (I-BDP)**

Income is recognized on accrual basis and is booked on admission confirmation available on the portals through their monthly payment statements and also when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

#### **Products in Exponential Technologies Business Development Program (ProNExT)**

Income is recognized on accrual basis on sale of product to customer and when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

#### **b) Other Income**

Interest on fixed deposits with banks, debentures, bonds etc. is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. In case of significant uncertainty of receiving interest, the same is not recognised though accrued and is recognised only when received.

Income from investments in liquid rate funds is recognized upon receipt of dividend from the respective fund.

Profit/Loss of the sale/redemption of investments is dealt with at the time of actual sale/redemption.

Dividend from investments is recognized when the shareholder's right to receive payment is established and it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

### **V. EXPENDITURE**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

The company is handling and facilitating the contribution done by its network partners which is intended for doing common marketing - regional/specific location wise as mutually agreed amongst them. Accounting related to such transactions are not brought in to the Company's Profit and Loss account and they are accounted as Balance Sheet items. Such common marketing contribution expenses are accounted, incurred and paid for as and when they actually accrue, by the Company.

### **VI. PROPERTY, PLANT & EQUIPMENT**

Land is carried at historical cost. Property, plant and equipment, other than land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable) and includes interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to property, plant and equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

### **VII. INTANGIBLE ASSETS**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalized upon acquisition and measured initially at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use. Intangible assets are stated at cost less accumulated amortization and impairment. Amortisation is recognised on a straight line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

An Intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Research & development costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

## VIII. DEPRECIATION

Depreciation of Property, Plant & Equipment i.e. tangible asset commences when the assets are ready for their intended use. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a Written Down Value (WDV) basis. Useful life is the period over which an asset is expected to be available for use by an entity. Depreciation for assets purchased/sold/discarded during the period is provided on pro-rata basis with respect to date of acquisition/disposal. Land is not depreciated.

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

The estimated useful lives of Property, Plant and Equipment of the company are as follows:

Particular of Asset	Useful Life
Office Building	60 Years
Air Conditioner	5 Years
Computer Hardware & IT Assets	3 to 6 Years*
Electrical Fittings	10 Years
Furniture & Fixtures	10 Years
Solar Panel	15 Years
Office Equipment	5 Years

The useful life of an intangible asset is considered 5 years amortized over their estimated useful lives by the straight line method.

\*The Company, based on management estimates, depreciates certain items of Computer Hardware & IT assets (Refurbished Servers) over estimated useful lives which are different than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

## IX. INVENTORIES

Inventories are stated at cost or Net realizable value whichever is less. The method used for valuation is First in First Out (FIFO). Cost comprises cost of purchase, inward freight, other taxes (other than those subsequently recoverable by the entity from the taxing authorities) & expenditure incurred in the normal course of business in bringing such inventories to its present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, adequate provision is made or it is written off.

## X. FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an

average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognized in Statement of profit and loss.

Gains/Losses arising on settlement as well as on translation of monetary items at the reporting date are recognized in the Statement of Profit and Loss.

## **XI. EMPLOYEE BENEFITS**

### **A. Short term obligations:**

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits and are measured on an undiscounted basis according to the terms and conditions of employment.

Employee benefits like salaries, including leave encashment payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service. The liabilities are presented as current employee benefit payable.

The company contributes to a Provident Fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government, which is a defined contribution plan, and is charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

### **B. Long term employee benefits obligations:**

#### **Post-Employment Obligations: -**

##### **Defined Benefit Plans:**

##### **Gratuity:**

The Company provides for gratuity as per the Payment of Gratuity Act, 1972, and is eligible to employees who are in continuous service for a period of 5 years, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Re-measurement gains or losses arising from actuarial calculations and assumptions are recognized immediately in the period in which they occur directly in "Other Comprehensive Income". The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

##### **Leave:**

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date. The company has done actuarial valuation of leave plan and the Gains & Losses through re-measurement are recognized in Statement of profit & loss.

## **XII. FINANCIAL INSTRUMENTS, FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument.

### **Fair value measurement**

The Company measures financial instruments such as investments in equity shares, mutual funds etc. at fair value at each reporting date.

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.

The principal 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.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient information is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## a. Financial Assets:

### Recognition & initial Measurement:

Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations.

### Subsequent Measurement:

For the purpose of subsequent measurement, financial assets are classified in five categories:

- Debt Instrument at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Investments in equities of subsidiaries and joint ventures at cost

#### i) Debt Instrument at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment i.e. Expected Credit Loss (ECL) are recognized in the profit or loss. This category generally applies to investment in Non-Convertible Debentures, investment in Long Term Tax Free Bonds, Fixed deposits with Banks, trade receivables, Security deposits & other receivables.

ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

The Company has not designated any debt instrument as at FVTOCI

iii) Debt instruments and equity instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All equity investments in scope of Ind AS 109 except those measured at fair value through other comprehensive income (FVTOCI) are measured at fair value through profit and loss.

Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise.

iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For equity instrument other than those measured at fair value through profit & loss account, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit & loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity and actual gain or loss on sale of investment based on the carrying value of investment on the date of sale can be recognized in the statement of profit and loss.

This category generally applies to equity instruments which are unquoted and where principal market is not available to determine fair value. In such cases, the fair value is based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable or unobservable in the most advantageous market for the asset and it is accessible to the company assuming that market participants act in their best economic interest.

v) Investments in equities of subsidiaries and joint ventures at cost

Investment in joint ventures are carried at cost less accumulated impairment if any.

Investment in equity shares of subsidiary namely MKCL Knowledge Foundation being a section 8 company has been fully impaired and charged to profit & loss account in current period as there is neither any exposure nor any right over any kind of returns from investee and as these instruments cannot be practically sold.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.



The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are carried at amortized cost. Based on the past history and track records the company has assessed the risk of default and expected credit losses are assessed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ (or income) in the statement of profit and loss (P&L). In Balance Sheet financial assets are measured at amortized cost and ECL is presented as an allowance, i.e., as an integral part of measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria.

In accordance with Ind AS 109 - Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables wherein impairment loss allowance based on lifetime expected credit loss at each reporting date, is recognized right from its initial recognition.

#### **Reclassification:**

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

#### **De-recognition:**

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

- the rights to receive cash flows from the asset have expired, or has been transferred; and
- the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

#### **b. Financial Liabilities:**

Deposits received, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### **c. Offsetting of financial instruments:**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

### **XIII. LEASES**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 - Leases which is effective from April 1, 2019.

Ind AS 116 replaced the existing leases standard, Ind AS 17 Leases and related interpretation. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has adopted Ind AS 116 in the current reporting period beginning April 1, 2019. The Company has applied the standard to its all leases with a lease term of more than 12 months, as per modified retrospective approach and hence the Company has not restated comparative information.

On 1<sup>st</sup> April, 2019, the company has recognized lease liability in Balance Sheet measured at the present value i.e. remaining lease payments discounted using incremental borrowing rate. The carrying amount of the right of use is an amount equal to the carrying amount of the lease liability on the date of initial application and hence no impact on retained earnings as on transition date. For leases, where no future lease payments are involved right of use asset is recognized at carrying amount of lease asset at April, 01, 2019.

The treatment for expenses related to those leases, will change from lease rent in previous periods to: -

- a) amortization charge for the right-to-use asset, and
- b) interest accrued on lease liability.

Application of Ind AS 116 does not have any material impact on the financial statements of the company.

#### **XIV. DIVIDEND**

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

#### **XV. CASH & CASH EQUIVALENT**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### **XVI. CASH FLOW STATEMENT:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities based on the extent of information available.

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. In the Statement of Cash Flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered as integral part of the Company's cash management.

#### **XVII. EVENTS AFTER THE REPORTING PERIOD**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed if material.

#### **XVIII. EARNINGS PER SHARE:**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### **XIX. SEGMENT REPORTING**

##### **i) Identification of segment**

An operating segment is a component of a company whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and assess its performance and for which discrete financial information is available.

##### **ii) Allocation of income and direct expenses and unallocated expenses**

Income and direct expenses allocable to segments are classified based on items that are individually identifiable to that segment. Common allocable costs are allocated to each segment pro-rata on the basis of count of learners/ admissions or revenue of business segment to the total revenue of the Company. Revenue, expenses which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses.

### iii) Segment policies

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

## XX. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

## XXI. TAXES ON INCOME

Taxes on income comprises of current taxes and deferred taxes.

### a. Current income tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

### b. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss, (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

Note 4. Property, Plant and Equipment

Particulars	(Rupees in Lakhs)										
	Freehold Land	Leasehold Land *	Office Building	Plant and Machinery	Air Conditioner	Computer & IT Assets	Electrical Fittings	Furniture and Fixture	Solar Panel Power Generation Plant	Office Equipment	Total
Year ended 31 <sup>st</sup> March, 2020											
<u>Gross Carrying amount</u>											
Cost as at April 01, 2019	40.87	1,684.26	2,080.23	1.04	89.14	684.74	133.80	497.34	6.46	378.35	5,596.23
Additions	-	-	-	-	0.27	62.64	7.75	2.02	-	1.01	73.69
Disposals/Adjustments	-	1,684.26	-	1.04	1.22	0.10	-	0.32	-	-	1,686.94
<b>Cost as at 31<sup>st</sup> March, 2020</b>	<b>40.87</b>	<b>-</b>	<b>2,080.23</b>	<b>-</b>	<b>88.19</b>	<b>747.28</b>	<b>141.55</b>	<b>499.04</b>	<b>6.46</b>	<b>379.36</b>	<b>3,982.98</b>
<u>Accumulated Depreciation</u>											
As at April 01, 2019	-	191.73	722.24	1.04	74.79	597.76	106.21	396.71	5.39	340.27	2,436.14
Depreciation for the year	-	-	66.20	-	6.80	58.59	8.25	24.99	0.19	10.22	175.24
Disposals/Adjustments	-	191.73	-	1.04	1.07	0.05	-	0.12	-	-	194.01
<b>As at 31<sup>st</sup> March, 2020</b>	<b>-</b>	<b>-</b>	<b>788.44</b>	<b>-</b>	<b>80.52</b>	<b>656.30</b>	<b>114.46</b>	<b>421.58</b>	<b>5.58</b>	<b>350.49</b>	<b>2,417.37</b>
<u>Net Carrying amount</u>											
As at 31 <sup>st</sup> March, 2020	40.87	-	1,291.79	-	7.67	90.98	27.09	77.46	0.88	28.87	1,565.61

Notes:

\*1) With the applicability of Ind AS 116 w.e.f 01.04.2019, the company had reinstated the leasehold land as property, plant & equipment for FY 2018-2019 but from FY 2019-2020 onwards leasehold land is being removed from property, plant & equipment and disclosed separately under Right of Use under Non Current Assets depreciated over the lease term.

(Rupees in Lakhs)

Particulars	Freehold Land	Leasehold Land *	Office Building	Plant and Machinery	Air Conditioner	Computer & IT Assets	Electrical Fittings	Furniture and Fixture	Solar Panel Power Generation Plant	Office Equipment	Total
<b>Year ended 31<sup>st</sup> March, 2019</b>											
<u>Gross Carrying amount</u>											
Cost as at April 01, 2018	40.87	1,684.26	2,072.00	1.04	80.28	609.22	131.03	458.40	6.46	364.27	5,447.83
Additions	-	-	8.23	-	8.86	75.52	2.77	38.94	-	14.08	148.40
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>Cost as at 31<sup>st</sup> March, 2019</b>	<b>40.87</b>	<b>1,684.26</b>	<b>2,080.23</b>	<b>1.04</b>	<b>89.14</b>	<b>684.74</b>	<b>133.80</b>	<b>497.34</b>	<b>6.46</b>	<b>378.35</b>	<b>5,596.23</b>
<u>Accumulated Depreciation</u>											
As at April 01, 2018	-	160.35	652.72	1.04	51.28	555.92	97.36	370.22	5.15	320.72	2,214.76
Depreciation for the year	-	31.38	69.52	-	23.51	41.84	8.85	26.49	0.24	19.55	221.38
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>-</b>	<b>191.73</b>	<b>722.24</b>	<b>1.04</b>	<b>74.79</b>	<b>597.76</b>	<b>106.21</b>	<b>396.71</b>	<b>5.39</b>	<b>340.27</b>	<b>2,436.14</b>
<u>Net Carrying amount</u>											
<b>As at 31<sup>st</sup> March, 2019</b>	<b>40.87</b>	<b>1,492.53</b>	<b>1,357.99</b>	<b>-</b>	<b>14.35</b>	<b>86.98</b>	<b>27.59</b>	<b>100.63</b>	<b>1.07</b>	<b>38.08</b>	<b>3,160.09</b>
Notes:											

\* 1) There are no future minimum lease payments in respect of this Leasehold Land. The lease terms expires within period of 60 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions.



**Note 4. Intangible Assets**

(Rupees in Lakhs)

Particulars	Computer Software
<b>Year ended 31<sup>st</sup> March, 2020</b>	
<b><u>Gross Carrying amount</u></b>	
Cost as at April 01, 2019	448.76
Additions	2.21
Disposals	-
<b>Cost as at 31<sup>st</sup> March, 2020</b>	<b>450.97</b>
<b><u>Accumulated Depreciation</u></b>	
As at April 01, 2019	426.69
Depreciation for the year	14.34
Disposals	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>441.03</b>
<b><u>Net Carrying amount</u></b>	
<b>As at 31<sup>st</sup> March, 2020</b>	<b>9.94</b>

(Rupees in Lakhs)

Particulars	Computer Software
<b>Year ended 31<sup>st</sup> March, 2019</b>	
<b><u>Gross Carrying amount</u></b>	
Cost as at April 01, 2018	443.69
Additions	5.07
Disposals	-
<b>Cost as at 31<sup>st</sup> March, 2019</b>	<b>448.76</b>
<b><u>Accumulated Depreciation</u></b>	
As at April 01, 2018	413.55
Depreciation for the year	13.14
Disposals	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>426.69</b>
<b><u>Net Carrying amount</u></b>	
<b>As at 31<sup>st</sup> March, 2019</b>	<b>22.07</b>

#### Note 4. Right of Use Assets

(Rupees in Lakhs)

Particulars	Lease Hold Land	Other Rental Premises	Total
<b>Gross Block</b>			
Balance as at April 01, 2019	-	-	-
Amount recognized on transition to IND AS 116 "Leases"	1,492.53	560.87	2,053.40
(Disposals)/ (Adjustments)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>1,492.53</b>	<b>560.87</b>	<b>2,053.40</b>
<b>Accumulated Depreciation</b>			
Balance as at April 01, 2019	-	-	-
Depreciation provided during the year	31.38	160.09	191.47
(Disposals)/ (Adjustments)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>31.38</b>	<b>160.09</b>	<b>191.47</b>
<b>Net Block</b>			
Balance as at April 01, 2019	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>1,461.15</b>	<b>400.78</b>	<b>1,861.93</b>

**Note 5. Investment in Subsidiaries and Joint Ventures**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I) Investment in Equity Instruments (Unquoted)</b>		
<b>(a) Investment in Subsidiaries at Cost</b>		
MKCL International FZE (Foreign)* 1 Share @ Rs.18,80,816/-	-	18.81
MKCL Knowledge Foundation** 20,00,000 Shares @ Rs. 10/- each (held at nominal Value as at 31 <sup>st</sup> March, 2020)	0.01	200.00
<b>Total Investment in Subsidiaries (a)</b>	<b>0.01</b>	<b>218.81</b>
<b>(b) Investment in (Foreign) Joint ventures at Cost</b>		
MKCL Arabia Limited 500 Shares @ SAR 1000 equivalent to Rs.17,359/- per Share	86.80	86.80
<b>Total Investment in (Foreign) Joint Ventures (b)</b>	<b>86.80</b>	<b>86.80</b>
<b>(c) Investment in (Domestic) Joint Ventures at Cost</b>		
Odisha Knowledge Corporation Limited 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	60.00	60.00
Haryana Knowledge Corporation Limited 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	60.00	60.00
Rajasthan Knowledge Corporation Limited 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	-	60.00
<b>Total Investment in (Domestic) Joint Ventures (c)</b>	<b>120.00</b>	<b>180.00</b>
<b>Total Investments in Subsidiaries &amp; Joint Ventures</b>	<b>206.81</b>	<b>485.61</b>
Aggregate amount of quoted investments at market value	-	-
Aggregate amount of Unquoted investment at book value	<b>206.81</b>	<b>485.61</b>

\* MKCL International FZE, a wholly owned foreign subsidiary of company dissolved on 26<sup>th</sup> February, 2019. During the year, company has received Rs.1,508.95 lakhs from MKCL International FZE as a part of liquidation proceeds. From the amount received, Rs.1,490.14 lakhs has been shown as Dividend from Foreign Subsidiary under Other Income. (Refer Note No. 27)

\*\*In terms of Ind AS 110, 'Consolidated Financial Statements', the company, during the year reviewed the control over MKCL Knowledge Foundation (MKCL KF) for the purpose of its inclusion in the Consolidated Financial Statements. Since MKCL KF is a not for profit company, the Companies Act 2013, prohibits any distribution of dividend and as such the company does not have an exposure or right to any variable returns from its investments. Accordingly, though MKCL KF would be continued to be treated as a subsidiary under the Companies Act, 2013, the same is not included for consolidation in the consolidated financial statements from the year 2019-20 in view of control criterions under Ind AS 110, 'Consolidated Financial Statements'. The investment of Rs. 200 lakhs has been fully impaired and written off during the year 2019-20, based on the review of its realisable value.

## Note 6. Other Non-Current Investments

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I) Investment in Equity instruments of Other Companies at Fair Value through OCI</b>		
Rajasthan Knowledge Corporation Limited* 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	1,890.00	-
<b>Total Investment in Equity Instrument of Other Companies (I)</b>	<b>1,890.00</b>	<b>-</b>
<b>II) Investment in Quoted Debentures (At Amortised Cost)</b>		
10,000 units of 8.8% Tata Capital Financial Services NCDs (Face Value Rs.1000) maturing on 27.09.2023	100.00	100.00
50,000 units of 8.4% Tata Capital Financial Services NCDs (Face Value Rs.1000) maturing on 26.08.2024	500.00	-
<b>Total Investment in Quoted Debentures (II)</b>	<b>600.00</b>	<b>100.00</b>
<b>III) Investment in Long Term Tax Free Bonds (LTTFB) (At Amortised Cost)</b>		
31,229 units of 7.28% LTTFB of NTPC Ltd (FV Rs.1000) maturing on 05.10.2030 :Tenure 15 Years	312.29	312.29
12,835 units of 7.27% LTTFB of PFC Ltd (FV Rs.1000) maturing on 17.10.2030 :Tenure 15 Years	128.35	128.35
57,252 units of 7.09% LTTFB of REC Ltd (FV Rs.1000) maturing on 05.11.2030 :Tenure 15 Years	572.52	572.52
85,150 units of 7.49% LTTFB of IREDA (FV Rs.1000) maturing on 21.01.2031 :Tenure 15 Years	851.50	851.50
1,05,700 units of 7.28% LTTFB of IRFC (FV Rs.1000) maturing on 21.12.2030 :Tenure 15 Years	1,057.00	1,057.00
29,392 units of 7.35% LTTFB of IRFC (FV Rs.1000) maturing on 22.03.2031 :Tenure 15 Years	293.92	293.92
1,65,705 units of 7.35% LTTFB of NHAI (FV Rs.1000) maturing on 11.01.2031 :Tenure 15 Years	1,657.05	1,657.05
46,255 units of 7.39% LTTFB of NHAI (FV Rs.1000) maturing on 09.03.2031 :Tenure 15 Years	462.55	462.55
81,281 units of 7.39% LTTFB of HUDCO (FV Rs.1000) maturing on 08.02.2031 :Tenure 15 Years	812.81	812.81
30,116 units of 7.39% LTTFB of HUDCO (FV Rs.1000) maturing on 15.03.2031 :Tenure 15 Years	301.16	301.16
<b>Total Investment in Long Term Tax Free Bonds (III)</b>	<b>6,449.15</b>	<b>6,449.15</b>
<b>IV) Investment in Mutual Funds (At Fair Value Through Profit &amp; Loss)</b>		
2,22,656 (March 31, 2019: 2,22,656) Units of Nippon India Equity Hybrid-Growth (Earlier Name:-Reliance Equity Hybrid-G)	78.87	122.71
8,28,494 (March 31, 2019: 8,28,494) Units of DSP Dynamic Asset Allocation Reg-G	117.21	124.73
7,99,958 (March 31, 2019: 7,99,958) Units of ICICI Pru Balanced Advantage	244.55	282.71
22,41,018 (March 31, 2019: 22,41,018) Units of Motilal Oswal Dynamic Reg-Growth	253.54	274.32
16,191 (March 31, 2019: 16,191) Units of Aditya Birla Sl Balanced 95	92.78	123.12
5,10,850 (March 31, 2019: 5,10,850) Units of HDFC Short Term Debt-Growth	115.66	105.44
2,84,401 (March 31, 2019: 2,84,401) Units of HDFC Equity Savings fund	93.76	104.65
1,47,778 (March 31, 2019: 1,47,778) Units of Aditya Birla SL Corporate Bond-Growth	115.64	105.93

11,77,112 (March 31, 2019: 11,77,112) Units of L&T Short Term Bond-Growth	229.29	210.11
9,28,864 (March 31, 2019: 9,28,864) Units of ICICI Pru Advisor Series-Hybrid-Growth	306.61	317.68
20,00,000 (March 31, 2019: 20,00,000) Units of Nippon India FHF XXXVII - Reg-G (Earlier Name:-RELIANCE FIXED HORIZON FUND)	236.96	215.65
10,00,800 (March 31, 2019: 10,00,800) Units of HDFC FMP - 1181 Days - Apr. 2018 -1- Reg-G (20-Jul-2021)	117.87	108.43
7,63,359 (March 31, 2019: 7,63,359) Units Aditya Birla SL Equity Savings Reg	94.96	101.60
20,00,000 (March 31, 2019: 20,00,000) Units of HDFC FMP - 1119 Days - June 2018 (1) Reg-G (30-Jun-2021)	235.20	215.62
<b>Total Investment in Mutual Funds (IV)</b>	<b>2,332.90</b>	<b>2,412.70</b>
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>V) Investment in Exchange Traded Funds (At Fair Value Through Profit &amp; Loss)</b>		
1,00,000 units of Investment in Bharat Bond Exchange Traded Fund Maturity Date 15.04.2030	1,033.97	-
<b>Total Investment in Exchange Traded fund (V)</b>	<b>1,033.97</b>	<b>-</b>
<b>Total Other- Non Current Investments (I + II + III+IV+V)</b>	<b>12,306.02</b>	<b>8,961.85</b>
Aggregate amount of quoted investments at market value	11,637.98	9,679.63
Aggregate amount of quoted investments at book value	10,416.02	8,961.85
Aggregate amount of Unquoted investments at book value	1,890.00	-
Aggregate amount of impairment in the value of investment	-	-

\*Consequent to withdrawal of the nominee directors from the Board of Directors of Rajasthan Knowledge Corporation Limited during the year 2016-17, (RKCL) the company has during the year 2019-20 reviewed the joint control over RKCL and discontinued its classification as a Joint Venture entity. Its consolidation has also accordingly been discontinued from the year 2019-20. Further, the company has carried out fair valuation of the investments in RKCL and has made an irrevocable election of presenting such fair value changes as FVTOCI as permitted under Ind AS 109, 'Financial Instruments'. During the year, fair value gain of Rs. 1,830.00 lakhs and deferred tax liability of Rs. 403.47 lakhs have been recognised through the Other Comprehensive Income.

#### Note 7. Other Financial Assets - Non-Current

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At Amortised Cost Considered Good</b>		
Security Deposits	70.45	89.82
Deposit with Bihar Skill Development Mission	10.00	10.00
Fixed Deposits with banks having maturity after 12 months*	8,508.75	11,560.25
<b>Total</b>	<b>8,589.20</b>	<b>11,660.07</b>

\*includes INR 265.95 lakhs (INR 185.57 lakhs as at 31<sup>st</sup> March, 2019) pledged against performance bank guarantee.

**Note 8. Deferred Tax Asset/(Liability)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Deferred Tax Liabilities	(543.18)	(96.94)
Deferred Tax Assets	317.58	313.84
<b>Deferred Tax Asset/(Liability) - Net</b>	<b>(225.60)</b>	<b>216.90</b>

**Note 9. Other Non- Current Assets**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Unsecured Considered Good unless otherwise stated		
Balances with Indirect Tax Authorities	18.45	19.03
Employment Defined Benefit Plan - Gratuity	58.04	27.60
Income Tax Assets - (Net of provisions of Rs. 4,541.35 lakhs as at March 31, 2020; Rs.5,693.58 lakhs as at March 31, 2019)	374.06	199.29
<b>Total</b>	<b>450.55</b>	<b>245.92</b>



**Note 10. Inventories**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Stock In Trade - At Cost		
Inventory of Books		
- MS-CIT	402.64	378.97
- KLiC	-	88.67
- BS-CIT, Psychology of Success & BS-CFA	169.54	15.18
Inventory of Educational Material	0.04	0.04
Inventory of Contour Markers	0.20	0.20
<b>Total</b>	<b>572.42</b>	<b>483.06</b>
Provision for Slow Moving Inventory	(0.24)	-
<b>Total</b>	<b>572.18</b>	<b>483.06</b>

**INVENTORY AND QUANTITATIVE DETAILS**

Inventory includes set of a Study Materials (Books) and Project Materials. These stocks are valued at Cost or Net Realisable Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company.

**For the year ended 31<sup>st</sup> March, 2019**

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issued Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	532,692	625,000	746,707	410,985
Books- KLiC	104,584	5,000	15,332	94,252
Educational Material	8	-	-	8
Contour Markers	8	-	-	8
Books- BS-CIT, Psychology of Success & BS-CFA	148,354	535,000	669,334	14,020

**For the year ended 31<sup>st</sup> March, 2020**

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issued Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	410,985	720,000	696,618	434,367
Books- KLiC*	94,252	-	94,252	-
Educational Material	8	-	-	8
Contour Markers	8	-	-	8
Books- BS-CIT, Psychology of Success & BS-CFA	14,020	749,340	576,175	187,185

\*Out of 94,252 KLiC books issued, 91,833 were distributed as promotional material.

## Note 11. Investments - Current Assets

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Investments carried at Fair Value Through Profit or Loss</b>		
<b>Investment in Liquid Mutual Funds</b>		
8,623.132 (March 31, 2019: 50,537.39) units of Rs. 1,019.82 each of HDFC liquid fund	87.94	515.39
1,96,493.477 (March 31,2019: 217,290.68) units of Rs. 1,019.82 each of HDFC liquid fund	2,003.88	2,215.97
83,622.388 (March 31,2019: 34949.55) units of Rs. 1,019.82 each of HDFC Liquid fund	852.80	356.42
3,067.076 (March 31,2019: 2,874.67) units of Rs. 1,019.82 each of HDFC Liquid fund	31.28	29.32
<b>Total Investments</b>	<b>2,975.90</b>	<b>3,117.10</b>
Aggregate amount of quoted investments at market value	2,975.90	3,117.10
Aggregate amount of quoted investments at book value	2,975.90	3,117.10
Aggregate amount of Unquoted investments	-	-
Aggregate amount of impairment in the Value of investment	-	-

## Note 12. Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Unsecured Considered Good	4,100.67	2,930.07
Unsecured Considered Doubtful	95.20	-
<b>sub-total</b>	<b>4,195.87</b>	<b>2,930.07</b>
Less: Provision for Expected Credit Loss	(95.20)	-
<b>Total</b>	<b>4,100.67</b>	<b>2,930.07</b>

## Note 13. Cash and Cash Equivalents

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Cash in hand	1.22	1.80
Balances with Banks in Current Account	1,427.92	393.85
<b>Total</b>	<b>1,429.14</b>	<b>395.65</b>

**Note 14. Bank balance other than cash & cash equivalents**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Earmarked Balances: Unclaimed Dividend Bank Balance	5.57	7.18
Fixed Deposits with Banks with remaining maturity of upto 12 months	5,848.01	1,702.82
<b>Total</b>	<b>5,853.58</b>	<b>1,710.00</b>

\*includes INR 18.04 lakhs (INR 41.64 lakhs as at March 31, 2019) pledged against performance bank guarantee.

**Note 15. Other Financial Assets (Current Assets)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost, considered good</b>		
Security deposits	31.65	74.33
Receivable from Bharat Sanchar Nigam Limited (BSNL)	100.00	264.66
<b>Interest Accrued on</b>		
Fixed Deposits with Banks	5,031.65	4,023.31
Long Term Tax Free Bonds (LTFBs)	239.34	239.40
Non Convertible Debentures(NCDs)	29.56	0.45
<b>Total</b>	<b>5,432.20</b>	<b>4,602.15</b>

**Note 16. Other Current Assets**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Unsecured, Considered Good</b>		
Prepaid expenses	320.74	219.89
Balances with Government Authorities	2.11	4.44
Other Advances	1.57	0.31
<b>Total</b>	<b>324.42</b>	<b>224.64</b>

## Note 17. Equity Share Capital

(Rupees in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>Authorised</b> 2,00,00,000 Equity shares of Rs.10 each with voting rights	2,000.00	2,000.00
<b>Issued, Subscribed and fully paid up</b> (As at 31 <sup>st</sup> March, 2020: 80,80,195 Equity shares of Rs.10 each) (As at 31 <sup>st</sup> March, 2019: 80,80,195 Equity shares of Rs.10 each)	808.02	808.02
<b>Total</b>	<b>808.02</b>	<b>808.02</b>

### a. Movement in Authorised Share Capital

Particulars	Equity Share Capital	
	Number of shares	Rupees in Lakhs
As at April 01, 2019	2,00,00,000	2,000.00
Increase / (decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2020	2,00,00,000	2,000.00

### b. Movement in Issued, Subscribed and fully paid up Share Capital

Particulars	Equity Share Capital	
	Number of shares	Rupees in Lakhs
As at April 01, 2019	80,80,195	808.02
Increase / (decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2020	80,80,195	808.02

### Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is entitled for one vote per share held and carry a right to dividend. 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### c. Details of shares held by shareholders holding more than 5% of equity share of the company

Name of the Shareholder	As at 31 <sup>st</sup> March, 2020	
	Number of shares held	% holding
Directorate of Information Technology, General Administration Department Government of Maharashtra	30,00,000	37.13
<b>TOTAL</b>	<b>30,00,000</b>	<b>37.13</b>

Name of the Shareholder	As at 31 <sup>st</sup> March, 2019	
	Number of shares held	% holding
Directorate of Information Technology, General Administration Department Government of Maharashtra	30,00,000	37.13
<b>TOTAL</b>	<b>30,00,000</b>	<b>37.13</b>

### Note 18. Other Equity

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>A. General Reserve</u></b>		
Balance as at the beginning	6,900.00	6,400.00
Add: Transfer during the year	500.00	500.00
<b>Balance at the end of the year</b>	<b>7,400.00</b>	<b>6,900.00</b>
<b><u>B. Equity Instrument through Other Comprehensive Income</u></b>		
Balance as at the beginning	-	-
Changes in fair value of Equity Instrument at FVTOCI (net of tax)	1,426.53	-
<b>Balance at the end of the year</b>	<b>1,426.53</b>	<b>-</b>
<b><u>C. Retained Earnings</u></b>		
Balance as at the beginning of the year	24,779.18	21,018.07
Add: Profit / (Loss ) for the year	5,351.90	4,506.82
Add: Remeasurement of post-employment benefit obligations- (loss)/ gain (net of tax)	19.43	(7.87)
<b>Amount available for appropriation</b>	<b>30,150.51</b>	<b>25,517.02</b>
Less :Transfer to Reserves	500.00	500.00
Less :Final Dividend for F.Y. 2018-19 (2017-18)	242.41	202.00
Less :Tax on Final Dividend for F.Y. 2018-19* (2017-18)	-	35.84
<b>Balance as at the end of the year</b>	<b>29,408.10</b>	<b>24,779.18</b>
<b>Total (A+B+C)</b>	<b>38,234.63</b>	<b>31,679.18</b>

\*Income Tax on Final Dividend has been fully set off against tax paid u/s 115BBD of Income Tax Act, 1961 on Dividend received from the foreign subsidiary, MKCL International FZE as per the provisions of the Income Tax Act, 1961.

#### Notes:

1. General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payment, issue of bonus shares etc
2. Equity Instrument through Other Comprehensive Income: This reserve represents the post tax cumulative gains and losses arising on the fair valuation of equity instruments measured through Other Comprehensive Income, net of amounts reclassified to retained earnings when these equity instruments are disposed off.
3. Retained Earnings: This comprise of the accumulated distributable profit.

**Note 19. Other Financial Liabilities (Non-Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost</b>		
Performance Guarantee Money & Retention Lease Liability*	- 277.07	0.76 -
<b>Total</b>	<b>277.07</b>	<b>0.76</b>

**\*Movement in Lease Liability**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance as at beginning of the year	-	-
Additions during the year	538.35	-
Interest Cost incurred during the year	43.52	-
Payment of Lease Liability	(168.37)	-
Deletions during the year	-	-
<b>Balance as at end of the year</b>	<b>413.50</b>	<b>-</b>

**Break up of Non Current & Current Lease Liability**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Non Current Lease Liability	277.07	-
Current Lease Liability	136.43	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>413.50</b>	<b>-</b>

**Note 20. Provisions (Non-Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Compensated Absences	402.93	403.54
Provision for Corporate Tax A.Y 2010-11	7.27	7.27
<b>Total</b>	<b>410.20</b>	<b>410.81</b>

**Note 21. Other Non Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Others	8.47	-
<b>Total</b>	<b>8.47</b>	<b>-</b>



**Note 22. Trade Payables**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Total outstanding dues of Micro, Small & Medium Enterprises	245.15	224.48
Total Outstanding dues of creditors other than Micro, Small & Medium Enterprises	931.57	1,346.26
<b>Total</b>	<b>1,176.72</b>	<b>1,570.74</b>

**Disclosures under the Micro, Small & Medium Enterprises Development Act, 2006**

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 to the extent the company has received intimation from the 'suppliers' regarding their status under the Act is as under:

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Principal amount remaining unpaid	245.15	224.48
Interest due thereon remaining unpaid	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises or the purpose of disallowance as a deductible expenditure under section 23.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditor.

**Note 23. Other Financial Liabilities (Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost</b>		
Unclaimed Dividend	5.55	7.18
Security Deposits received from Network Partners/Creditors	1,121.01	1,008.46
Employees Benefits Payable	1,111.88	1,002.97
Other Financial Liabilities & Expenses Payable	1,613.39	1,156.24
Study Material Deposit	237.45	253.55
Lease Liability	136.43	-
<b>Total</b>	<b>4,225.71</b>	<b>3,428.40</b>

**Note 24. Provisions (Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Compensated Absences	76.68	74.22
<b>Total</b>	<b>76.68</b>	<b>74.22</b>

**Note 25. Other Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Statutory Liabilities	235.05	243.05
<b>Total</b>	<b>235.05</b>	<b>243.05</b>

**NOTE 26. REVENUE FROM OPERATIONS**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
I. Sale of Products	20.00	15.00
II Sale of Services	15,770.37	16,427.12
<b>Total</b>	<b>15,790.37</b>	<b>16,442.12</b>

**DISAGGREGATION OF REVENUE FROM OPERATIONS**

The table below presents disaggregated revenues from operations for the years ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 respectively.

The Company believes that disaggregation of revenue from operations based on segments & geography as below best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

**A. Based on Geography**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
a. Within India	15,789.18	16,165.82
b. Outside India	1.19	276.30
<b>Total</b>	<b>15,790.37</b>	<b>16,442.12</b>

**B. Based on Segments**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>I. Sale of Products</b>	<b>20.00</b>	<b>15.00</b>
<b>II Sale of Services</b>		
<b>Knowledge-Lit Skills Development Program (KLS-DP)</b>		
Revenue from MS-CIT course	9,142.20	9,731.91
Revenue from KLiC and Other courses	602.66	514.07
Revenue from Other Courses (Outside Maharashtra)	77.62	75.83
Registration/Renewal/Processing/Annual/LMS License Fees	253.89	269.07
	<b>10,076.37</b>	<b>10,590.88</b>
<b>Digital University Business Development Program (DU-BDP)</b>		
Digital University- Business Development Program (DU-BDP)	1,158.76	1,096.48
Share in DU Projects (Outside Maharashtra)	69.85	53.87
Online Admissions	49.65	166.45
Recruitment Projects	2.48	29.41
Designing, Development, Maintenance and Support Services	10.66	24.06
Share in Admissions/Recruitment Projects (Outside Maharashtra)	31.58	537.97
	<b>1,322.98</b>	<b>1,908.24</b>
<b>Mission-Mode Skill Development Program (MMS-DP)</b>	<b>3,317.28</b>	<b>3,228.13</b>
<b>eGovernance Business Development Program (eGov-BDP)</b>		
Design & Development of Digital MLS	70.77	77.15

eTendering Services & other Maintenance and Support Services	33.81	91.73
<b>eGovernance Business (Outside Maharashtra)</b>		
Income from BLAS Project	17.50	16.56
Income from Vanmitra	110.82	-
Edu- eGovernance	119.40	83.03
Other eGovernance Project	639.95	50.49
	<b>992.25</b>	<b>318.96</b>
<b>Knowledge-Lit Careers Development Program (KLC-DP)</b>		
MKCL Finishing Schools (MFS) Program	49.49	50.99
	<b>49.49</b>	<b>50.99</b>
<b>Educational Products Business Development Program (EP-BDP)</b>		
Income from eSchool	9.06	53.62
	<b>9.06</b>	<b>53.62</b>
<b>Products in New Exponential Technologies Business Development Program (ProNExT)</b>		
	1.75	-
<b>International Business Development Program (I-BDP)</b>		
	1.19	276.30
<b>Total</b>	<b>15,790.37</b>	<b>16,442.12</b>

## Note 27. Other Income

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>Interest Income On:</b>		
i. Fixed Deposits with Banks	1,425.22	1,283.93
ii. Long Term Tax Free Bonds	473.29	473.29
iii. Non Convertible Debenture	37.91	0.45
<b>Sub Total</b>	<b>1,936.42</b>	<b>1,757.67</b>
<b>Dividend Income from Investment:</b>		
i. Subsidiary	1,490.14	256.15
ii. Joint Ventures	449.06	27.00
iii. Equity Instruments of Other Companies	18.00	-
iv. Liquid Mutual Funds	223.81	153.53
<b>Sub Total</b>	<b>2,181.01</b>	<b>436.68</b>
Net Gain/(Loss) on Foreign Currency Transactions	20.98	12.57
Other Non-Operating Income (Net)	11.30	10.50
Old Balances Written Back	182.21	235.23
Net Gain/ (Loss) on Investments measured at FVTPL	(45.81)	112.39
<b>Sub Total</b>	<b>168.68</b>	<b>370.69</b>
<b>Total</b>	<b>4,286.11</b>	<b>2,565.04</b>

**NOTE NO 28. OPERATING EXPENSES ON COURSES & PROGRAMS**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>Knowledge-Lit Skills Development Program (KLS-DP)</b>		
Share, Exam/Re-Exam Fees	3,305.92	3,708.79
Advertisement & Sales Promotion	567.97	604.87
Content Development, Incentives and other Course Related Expenses	1,046.37	828.08
Expenses on Other Courses	413.79	385.87
Expenses on Other Courses (outside Maharashtra)	18.70	13.89
Network Partnership Management Program (NP-MP)	524.17	444.86
	<b>5,876.92</b>	<b>5,986.36</b>
<b>Digital University Business Development Program (DU-BDP)</b>		
Digital University	165.83	174.97
Online Admissions	4.38	7.52
Recruitment Projects	6.94	17.32
Consultancy charges	5.41	9.01
	<b>182.56</b>	<b>208.82</b>
<b>Mission-Mode Skill Development Program (MMS-DP)</b>		
Share expenses and Content Development expenses	403.93	491.90
Other Direct Expenses	67.29	29.30
	<b>471.22</b>	<b>521.20</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
e-Governance Expenses	25.56	30.33
Advertisement exp	0.02	2.17
<b>eGovernance Expenses (Outside Maharashtra)</b>		
BLAS Project Expenses	14.28	16.84
Edu-eGovernance Expenses	12.89	26.30
Vanmitra Project Expenses	8.03	-
	<b>60.78</b>	<b>75.64</b>
<b>Educational Products Business Development Program (EP-BDP)</b>		
Advertisement & Sales Promotion	4.67	64.61
Share expenses	0.44	0.33
Content/Consultancy and other expenses	36.89	7.46
	<b>42.00</b>	<b>72.40</b>
<b>Social Business Development Program ( S-BDP)</b>		
	-	<b>9.08</b>
<b>Knowledge Lit Careers Development Program ( KLCDP)</b>		
MKCL Finishing Schools (MFS) Program	54.09	58.25
	<b>54.09</b>	<b>58.25</b>

Products in New Exponential Technologies Business Development Program (ProNExT)	5.15	-
International Business Development Program (I-BDP)	18.46	33.39
<b>Total</b>	<b>6,711.18</b>	<b>6,965.14</b>

#### Note 29. Changes in Inventories of Finished Goods, Work- in-Progress and Stock -in-Trade

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<u>Inventories at the end of the year:</u> of books, Educational materials and Contour Markers	572.42	483.06
	<b>572.42</b>	<b>483.06</b>
<u>Inventories at the beginning of the year:</u> of books, Educational materials and Contour Markers	483.06	719.07
	<b>483.06</b>	<b>719.07</b>
<b>Change in Inventory (Opening - Closing)</b>	<b>(89.36)</b>	<b>236.01</b>
KLIC books inventory distributed as Promotional Material (included under NOTE 28 - OPERATING EXPENSES ON COURSES & PROGRAMS KLS-DP Advertisement & Sales Promotion )	(86.46)	-
<b>Net (Increase) / Decrease in inventory</b>	<b>(175.82)</b>	<b>236.01</b>

#### Note 30. Employee Benefits Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
(a) Salaries	3,510.47	3,093.64
(b) Contributions to -		
(i) Provident Fund	227.62	192.79
(ii) Gratuity Fund	45.03	53.48
(c) Staff Welfare Expense	70.98	107.15
<b>Total</b>	<b>3,854.10</b>	<b>3,447.06</b>

**Note 31. Finance Cost**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<u>Interest on Financial Liabilities</u>		
Lease Liability	43.52	0.00
<u>Interest on Others</u>		
Income Tax	6.35	4.74
<b>Total</b>	<b>49.87</b>	<b>4.74</b>

**Note 32. Depreciation & Amortisation Expenses**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Depreciation on Property, Plant & Equipment	175.24	221.38
Amortisation on Intangible Assets	14.34	13.14
Amortisation on Right of Use Assets	191.47	0.00
<b>Total</b>	<b>381.05</b>	<b>234.52</b>

**Note 33. Other Expenses- Administrative and Other Expenses**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Advertisement & Sales Promotion Expenses	11.47	19.46
Education, Promotion, Teaching & Development Expenses	14.37	56.99
Communication Expenses	33.58	49.66
Electricity Expenses	58.20	55.87
Security Charges	21.00	18.79
Rent Rates Taxes and Insurance	29.44	198.55
Maintainance office & Buildings	113.06	94.03
Legal, Professional & Consultancy Charges	29.10	25.71
Travelling and Conveyance	93.92	83.64
Pantry Expenses	15.33	14.89
Website Hosting and Registration Expenses	104.71	67.21
Meeting Expenses	28.97	27.96
Repairs, Maintenance and Others	53.19	46.89
Donations under CSR*	93.06	86.54
Payments to Auditors (**)	22.60	23.33
Provision for Expected Credit Loss on Trade Receivable	95.20	-
Impairment and write off of investment in subsidiary (Refer Note 5)	199.99	-
Miscellaneous Expenses	28.03	23.84
Bad Debts	61.48	1.34
<b>Total</b>	<b>1,106.70</b>	<b>894.70</b>



#### \*Donation under CSR

The company was required to spend INR 93.06 lakhs during FY 2019-2020 (INR 86.54 lakhs for FY 2018-2019), the company has spent this CSR amount by giving donation to Prime Minister's National Relief Fund (PMNRF) for FY 2019-2020 & 2018-2019.

#### \*\*Payments to Statutory Auditors

Particulars	(Rupees in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
As Auditors	18.88	18.88
For Tax Audit	2.95	2.95
For Taxation Matters	0.18	0.18
For Other Services	0.59	0.65
Towards Reimbursement of Expenses	-	0.67
<b>Total</b>	<b>22.60</b>	<b>23.33</b>

#### NOTE 34. SEGMENT REPORTING

Primary Business Segments of the Company are Knowledge Lit Skill Development Program (KLS-DP), Mission Mode Skill Development Program (MMS-DP), Digital University Business Development Program (DU-BDP) based on the management approach as defined in Ind AS 108.

Assets and Liabilities used in Company's business are not identified to any reportable segment as these are used interchangeably between segments.

The management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

#### Segment Revenue :-

Particulars	(Rupees In Lakhs)	
	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
-Knowledge Lit Skill Development Program (KLS-DP)	10,105.43	10,605.88
-Mission Mode Skill Development Program (MMS-DP)	3,317.28	3,228.13
-Digital University Business Development Program (DU-BDP)	1,322.98	1,908.24
<b>Segment Total</b>	<b>14,745.69</b>	<b>15,742.25</b>
-Others	1,044.68	699.87
<b>Revenue from Operations</b>	<b>15,790.37</b>	<b>16,442.12</b>

#### Segment Results:-

Particulars	(Rupees In Lakhs)	
	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
-Knowledge Lit Skill Development Program (KLS-DP)	1,613.78	1,814.01
-Mission Mode Skill Development Program (MMS-DP)	1,406.98	1,098.01
-Digital University Business Development Program (DU-BDP)	452.71	881.47
<b>Segment Total</b>	<b>3,473.47</b>	<b>3,793.49</b>
-Net unallocated income/(expenditure)	3,463.82	2,299.16
<b>Profit before interest and taxation</b>	<b>6,937.29</b>	<b>6,092.65</b>
-Finance Cost	(49.87)	(4.74)

Profit before Tax	6,887.42	6,087.91
-Tax Expense	(1535.52)	(1581.09)
Profit after Tax	5,351.90	4,506.82

## Note 35. Income Taxes

### A. Current Tax

(Rupees In Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Tax Expense recognised in Statement of Profit and Loss</b>		
Current Tax on Profits for the year	1505.00	1,520.00
Deferred Tax related to Items recognized in Statement of Profit and Loss during the year	32.48	61.09
Tax adjustments for earlier years	(1.96)	-
<b>Total Tax Expense recognised in Statement of Profit and Loss</b>	<b>1,535.52</b>	<b>1,581.09</b>
Profit before Tax for the year	6887.42	6,087.91
Enacted tax rates in India	25.17%	29.12%
<b>Computed Tax Expenses</b>	<b>1,733.43</b>	<b>1,772.80</b>

The Company has decided to opt for the new tax rate prescribed under Section 115BAA of the Income Tax Act, 1961. This provides for the concessional tax rate at 22% plus applicable surcharge and cess (Effective - 25.17% ) from Assessment Year beginning on or after the 1st day of April, 2020 without claiming certain tax exemptions/incentives.

Reconciliation of computed tax expense with total tax expense recognised in Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Computed Tax Expenses</b>	<b>1,733.43</b>	<b>1,772.80</b>
<b>Add/Less: Net Adjustment of tax impact on account of</b>		
<u>Effect of Exempt Income</u>		
-Interest on long term Tax Free Bonds	(119.12)	(137.82)
-Dividend Income	(60.86)	(52.57)
<u>Effect of non deductible expense</u>		
-Depreciation and Deferred Tax Impact	(11.99)	(17.24)
-Fair Valuation of Investment and its Deferred Tax Effect	95.61	(32.73)
-Gratuity, Leave Encashment, Other Employee Benefits and Deferred Tax impact	41.50	75.11
<u>Effect of different tax rate for different heads of income</u>		
-Dividend from foreign subsidiary & joint venture	(145.95)	(29.84)
Other Items (net)	2.90	3.38
<b>Subtotal</b>	<b>(197.91)</b>	<b>(191.71)</b>
<b>Income Tax Expense recognised in Statement of Profit and Loss</b>	<b>1,535.52</b>	<b>1,581.09</b>

Income tax expense recognised in other comprehensive income (Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
- Current Tax	-	-
- <u>Deferred Tax on</u>		
Remeasurements of defined benefit obligation	6.54	(3.24)
Fair value gain on investments in equity shares at FVTOCI	403.47	-
<b>Total income tax expense recognised in other comprehensive income</b>	<b>410.01</b>	<b>(3.24)</b>

B. Deferred Tax Asset/(Liability) - Net (Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Deferred Tax Liability on:</b>		
Property, Plant & Equipments	77.00	88.91
Fair Valuation of Debt Mutual Funds	48.10	-
Fair Valuation of Equity Instrument	403.47	-
Provision for Employee Benefits - Gratuity	14.61	8.03
<b>Gross Deferred Tax Liability</b>	<b>543.18</b>	<b>96.94</b>

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Deferred Tax Asset on:</b>		
Provision for Employee Benefits - Leave Encashment	120.71	139.12
Provision for Employee Benefits - Organisational Performance Linked Award	151.01	174.72
Provision for Expected Credit Loss	23.96	-
Fair Valuation of Hybrid Mutual Funds	14.36	-
Right of Use Asset	7.54	-
<b>Gross Deferred Tax Asset</b>	<b>317.58</b>	<b>313.84</b>
<b>Deferred Tax Asset/(Liability) - Net</b>	<b>(225.60)</b>	<b>216.90</b>

Movement in Deferred Tax Liability (Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Balance at the beginning of the year</b>	<b>96.94</b>	<b>108.74</b>
Debited/(Credited ):		
<u>to Profit and loss on account of</u>		
- Fixed Assets	(11.92)	(19.83)
- Defined Benefit Plan - Gratuity	0.05	11.27
- Fair Valuation of Debt Mutual Funds	48.10	-
<b>Sub Total</b>	<b>36.23</b>	<b>(8.56)</b>
<u>to other comprehensive income</u>		
- Defined Benefit Plan - Gratuity	6.54	(3.24)
- Fair Valuation of Equity Instrument	403.47	-
<b>Sub Total</b>	<b>410.01</b>	<b>(3.24)</b>
<b>Balance at the end of the year</b>	<b>543.18</b>	<b>96.94</b>

**Movement in Deferred Tax Asset**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Balance at the beginning of the year</b>	<b>313.84</b>	<b>383.48</b>
(Debited)/Credited :		
<u>to Profit and loss on account of</u>		
- Provision for employee benefits - Leave encashment	(18.41)	(33.12)
- Provision for employee benefits - Organisational Performance Linked Award	(23.71)	(32.93)
- Defined Benefit Plan - Gratuity	-	(3.59)
- Provision for Expected Credit Loss	23.96	-
- Fair Valuation of Hybrid Mutual Funds	14.36	-
- Right of Use Assets	7.54	-
<b>Sub Total</b>	<b>3.74</b>	<b>(69.64)</b>
<b>Balance at the end of the year</b>	<b>317.58</b>	<b>313.84</b>

**Note 36. Earnings Per Share**

(Rupees In Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
Net Profit attributable to equity shareholders - A (In Rupees Lakhs)	5,351.90	4,506.82
Weighted average number of equity shares outstanding - B	8,080,195	8,080,195
<b>Earnings Per Share Basic &amp; Diluted (Rs.) - (A/B)</b>	<b>66.23</b>	<b>55.78</b>

**Note 37. Financial Instruments by Category**

(Rupees In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020			As at 31 <sup>st</sup> March, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
<u>-Investments in</u>						
a. Long Term Tax Free Bonds and Non Convertible Debentures	-	-	7,049.15	-	-	6,549.15
b. Unquoted equity shares of RKCL	-	1,890.00	-	-	-	-
c. Mutual Funds & Exchange Traded Funds	6,342.77	-	-	5,529.80	-	-
-Trade Receivables	-	-	4,100.67	-	-	2,930.07
-Cash and Cash Equivalents	-	-	1,429.14	-	-	395.65
-Other Bank Balances	-	-	5,853.58	-	-	1,710.00
-Other Financial Assets	-	-	14,021.40	-	-	16,262.22
<b>Total Financial Assets</b>	<b>6,342.77</b>	<b>1,890.00</b>	<b>32,453.94</b>	<b>5,529.80</b>	<b>-</b>	<b>27,847.09</b>

Particulars	As at 31 <sup>st</sup> March, 2020			As at 31 <sup>st</sup> March, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Liabilities</b>						
-Trade Payable	-	-	1,176.72	-	-	1,949.31
-Other Financial Liabilities	-	-	4,502.78	-	-	3,050.59
<b>Total Financial Liabilities</b>	-	-	<b>5,679.50</b>	-	-	<b>4,999.90</b>

### Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 : Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of Investments in Mutual Funds are based on the price quotation at the reporting date obtained from the asset management companies.

The company has carried out fair valuation of the investments in equity shares of RKCL based on discounted cash flow model as these equity shares are unquoted.

### Financial Assets and Liabilities measured at Fair Value

(Rupees In Lakhs)

As at 31 <sup>st</sup> March, 2020	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FVTPL</b>				
Investments in Mutual Funds & Exchange Traded Funds	6,342.77	-	-	<b>6,342.77</b>
<b>Financial Assets at FVTOCI</b>				
Investments in RKCL	-	-	1,890.00	<b>1,890.00</b>
<b>Total</b>	<b>6,342.77</b>	-	<b>1,890.00</b>	<b>8,232.77</b>

As at 31 <sup>st</sup> March, 2019	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FVTPL</b>				
Investments in Mutual Funds	5,529.80	-	-	<b>5,529.80</b>
<b>Total</b>	<b>5,529.80</b>	-	-	<b>5,529.80</b>

### Financial assets and liabilities measured at Amortised cost:

The fair values of all Financial Instruments carried at amortised cost are not materially different from their carrying amounts since they are Short Term / Long-Term in nature or the interest rates applicable are equal to the current market rate of interest. Other financial liabilities and trade payables are considered to be approximately equal to carrying values.

**Note 38. Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk, market risk. This note explains the sources of risk to which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

The Company's risk management is done in close coordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimising the exposure to volatile financial markets. Long term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of Financial Assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below :

**A. Credit Risk**

Credit Risk arises from the possibilities that counter party may not be able to settle their obligations as agreed. The company is exposed to credit risk from investment in Financial Instruments, Trade Receivables, Bank Deposits and Other Financial Assets.

I. Investments at Amortised Cost : They are strategic Investments in the normal course of business of the Company.

II. Bank Balance : The Company maintains its Cash and Cash Equivalent and Bank Deposits with reputed nationalised banks. Hence, there is no significant credit risk on such deposits.

III. Investments at Fair Value: The company is having insignificant exposure to credit risk w.r.t investment in mutual funds, Exchange Traded Funds as these are instruments with high credit ratings. Also, there is no significant risk exposure to investment in unquoted equity instrument of Rajasthan Knowledge Corporation Limited (RKCL) as it is strategic investment in the normal course of business of the company.

IV. Trade Receivable : Companies exposure to receivables which are with Central / State Government Depts, local authority, agencies, boards and other bodies set up by Central/ State Government are continuously monitored and followed up for payments, on an on-going basis with the result that the Companies exposure to bad debts are not significant. Also, company has provided expected credit loss provision of Rs.95.20 lakh during the current financial year (Rs. NIL during 2018-19) on trade receivable based on ageing, past history and track records of receivables.

The provision matrix at the end of the year is as follows:

Ageing of receivable	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
0 to 30 Days	NIL	NIL
31 Days to 1 Year	1%	NIL
1 to 2 Years	12%	NIL
2 to 3 Years	20%	NIL
3 to 4 Years	50%	NIL
4 to 5 Years	80%	NIL
Above 5 Years	100%	NIL

(Rupees In Lakhs)

Age of receivable	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
0 to 30 Days	1,876.93	1,376.68
31 Days to 1 Year	2,006.19	1,269.04
1 to 2 Years	190.05	209.34
2 to 3 Years	84.08	30.45
3 to 4 Years	5.34	1.33
4 to 5 Years	2.22	22.93
Above 5 Years	31.06	20.30
<b>Total</b>	<b>4,195.87</b>	<b>2,930.07</b>

## Movement in provision for Expected Credit Loss (ECL)

(Rupees in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance at the beginning of the year	-	-
Provided during the year	95.20	-
Reversed during the year	-	-
Balance at the end of the year	95.20	-

**B. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Due to the nature of the business, the Company has and maintains flexibility in funding by maintaining availability of cash flows under committed facilities. The Company had not borrowed from banks, financial institutions etc at any point of time. The working capital of the Company is positive as at each reporting date.

**Maturities of Financial Liabilities :**

The table below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities / maturities for all non- derivative financial liabilities.

As on 31<sup>st</sup> March, 2020

(Rupees In Lakhs)

Particulars	Less than one year	More than one year	Total
<b>Non-Derivative Financial Liabilities:</b>			
Trade Payables	1,176.72	-	1,176.72
Unclaimed Dividend	5.55	-	5.55
Security Deposits received from Network Partners/Creditors	1,121.01	-	1,121.01
Employees Benefits Payable	1,111.88	-	1,111.88
Other Financial Liabilities & Expenses Payable	1,749.82	277.07	2,026.89
Study Material Deposit	237.45	-	237.45
<b>Total</b>	<b>5,402.43</b>	<b>277.07</b>	<b>5,679.50</b>

As on 31<sup>st</sup> March, 2019

(Rupees In Lakhs)

Particulars	Less than one year	More than one year	Total
<b>Non-Derivative Financial Liabilities:</b>			
Trade Payables	1,949.31	-	1,949.31
Unclaimed Dividend	7.18	-	7.18
Security Deposits received from Network Partners/Creditors	1,008.46	-	1,008.46
Employees Benefits Payable	1,002.97	-	1,002.97
Other Financial Liabilities & Expenses Payable	778.43	-	778.43
Study Material Deposit	253.55	-	253.55
<b>Total</b>	<b>4,999.90</b>	<b>-</b>	<b>4,999.90</b>



## C. Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US dollar. Foreign Exchange risk arises from recognised assets and liabilities denominated in the currency that is not the Company's functional currency.

The effect of foreign currency available in US dollars and the amount receivable as on March 31, 2020 in USD - post tax is as under:-

### Sensitivity :

The sensitivity of profit or loss to changes in exchange rate arises mainly from foreign currency denominated financial instruments :

Currency	As at 31 <sup>st</sup> March 2020	
	Movement in Rate	Impact on PAT
USD	1 INR.	INR 0.75
USD	(-1 ) INR	INR (0.75)

## D. Interest Rate Risk

As on the Balance Sheet date, the Company does not have any bank borrowings and therefore is not exposed to Interest rate risk.

## E. Price Risk:

The Company invests part of its surplus funds in mutual funds, non convertible debentures & bonds which are linked to markets. The Company's exposure to price risk arises from mutual funds investments held by the Company and classified in the Balance Sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

### Sensitivity

If prices of quoted mutual funds had been 5% higher/(lower), the profit after tax (PAT) for the year ended March 31, 2020 and March 31, 2019 would increase/(decrease) by Rs.125.98 lakhs and Rs.85.51 lakhs respectively.

## Note 39. Capital Management

### (a) - Risk Management

The Company's capital management objectives are :

- to ensure the Company's ability to continue as going concern
- to provide an adequate returns to share holders.
- maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policy or processes for managing capital during the years ended March 31, 2020 & March 31, 2019.

The capital structure of company is follows :

Particulars	(Rupees In Lakhs)	
	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Capital Structure</b>		
Total Equity	39,042.65	32,487.20
<b>Total Equity</b>	<b>39,042.65</b>	<b>32,487.20</b>

As there is no debt, the company do not have any risk associated with repayment of debt & interest thereon.

**(b) - Dividends**

(Rupees In Lakhs)

	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>(i) Equity shares</b>		
Final dividend paid for the year ended March 31, 2019: Rs. 3.00 (March 31, 2018 of Rs. 2.50) per fully paid share	242.41	202.00
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend for the year ended 31 <sup>st</sup> March, 2020 of Re.1/- (31 <sup>st</sup> March, 2019 - Rs. 3.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	80.8	242.41

**Note 40. Provisions for Employee Benefit Obligations**

**Employee Benefit Obligations**

(Rupees In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020			As at 31 <sup>st</sup> March, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Compensated Absences (i)	76.68	402.93	479.61	74.22	403.54	477.76
Gratuity (ii)	-	(58.04)	(58.04)	-	(27.60)	(27.60)
<b>Total employee benefit obligations</b>	<b>76.68</b>	<b>344.89</b>	<b>421.57</b>	<b>74.22</b>	<b>375.94</b>	<b>450.16</b>

**(i) Compensated Absences**

The leave obligation on account of compensated absences covers the company's liability for earned leave. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as current employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences.

**Balance Sheet Amounts - Compensated Absences - Unfunded Plan**

(Rupees in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-19	477.76	-	477.76
Less: Current Liability	74.22	-	74.22
Non Current Liability	<b>403.54</b>		<b>403.54</b>
31-Mar-20	479.61	-	479.61
Less: Current Liability	76.68	-	76.68
Non Current Liability	<b>402.93</b>	-	<b>402.93</b>

**Sensitivity Analysis**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of Present Value of Obligation (PVO) of the Defined Benefit Obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

## Change in assumptions and impact on defined benefit obligation on account of Compensated Absences as at 31<sup>st</sup> March, 2020 (Rupees in Lakhs)

Scenario	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Under Assumed Scenario	479.61	477.76
Discount Rate - Up by 1%	450.98	449.01
Discount Rate - Down by 1%	511.72	510.02
Salary Growth Rate - Up by 1%	507.71	505.79
Salary Growth Rate - Down by 1%	454.13	452.31
Availment Rate - Up by 1%	508.22	502.13
Availment Rate - Down by 1%	447.82	450.70

The above sensitivity analysis are based on a change in an assumption holding all other assumptions constant.

### (ii) Post Employment Obligations

#### Gratuity - Defined benefit plan

The Company provides for gratuity as per the Payment of Gratuity Act, 1972, is eligible to employees who are in continuous service for a period of 5 years, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Re-measurement gains or losses arising from actuarial calculations and assumptions are recognized immediately in the period in which they occur directly in "Other Comprehensive Income". The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

#### Defined Contribution Plans

The company contributes to a Provident Fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government, which is a defined contribution plan, and is charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

#### Balance Sheet Amounts - Gratuity

The amounts recognised in the Balance Sheet and the movements in the net defined obligation over the year are as follows:

(Rupees In Lakhs)			
Particulars	Present value of obligation	Fair Value of plan assets	Net Amount
April 01, 2019	362.36	389.96	(27.60)
Current Service Cost	52.09	-	52.09
Transfer In/(Out)	(4.62)	-	(4.62)
Mortality Charges & Taxes	0.00	(1.66)	1.66
Interest Expense/(Income)	26.26	30.36	(4.10)
<b>Total amount recognised in Profit or Loss</b>	<b>73.73</b>	<b>28.70</b>	<b>45.03</b>
<b>Remeasurements</b>			
(Gain)/Loss from change in demographic assumptions	(4.31)	-	(4.31)
(Gain)/Loss from change in financial assumptions	(36.13)	(1.20)	(34.93)
Experience (Gains)/Loss	14.20	0.93	13.27
<b>Total amount recognised in Other Comprehensive Income (Gains)/ Loss</b>	<b>(26.24)</b>	<b>(0.27)</b>	<b>(25.97)</b>
Employer Contributions	-	49.50	(49.50)
Benefit Payments	(30.51)	(30.51)	-
<b>31<sup>st</sup> March, 2020</b>	<b>379.34</b>	<b>437.38</b>	<b>(58.04)</b>

Particulars	Present value of obligation	Fair Value of plan assets	Net Amount
April 01, 2018	350.02	339.64	10.38
Current Service Cost	52.66	-	52.66
Mortality Charges & Taxes	-	-	-
Interest Expense/(Income)	24.68	23.86	0.82
<b>Total amount recognised in Profit or Loss</b>	<b>77.34</b>	<b>23.86</b>	<b>53.48</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/Loss from change in demographic assumptions	(0.02)	-	(0.02)
(Gain)/Loss from change in financial assumptions	8.78	1.51	7.27
Experience (Gains)/Loss	1.49	(2.37)	3.86
<b>Total amount recognised in Other Comprehensive Income (Gain)/Loss</b>	<b>10.25</b>	<b>(0.86)</b>	<b>11.11</b>
Employer Contributions	-	102.57	(102.57)
Benefit Payments	(75.24)	(75.24)	-
<b>31<sup>st</sup> March, 2019</b>	<b>362.36</b>	<b>389.96</b>	<b>(27.60)</b>

The net liability disclosed above relates to funded and unfunded plans as follows:

(Rupees In Lakhs)

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Present Value of funded obligations	379.34	362.36
Fair value of plan assets	437.38	389.96
<b>Deficit/(Surplus) of Gratuity Plan</b>	<b>(58.04)</b>	<b>(27.60)</b>

**(iv) Significant Estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Discount Rate	7.00%	7.60%
Annual Increase in Salary	3%	5%
Expected rate of return on assets	7.60%	7.90%
Mortality Table referred	(IALM ult) (2012-14)	(IALM ult) (2012-14)
Withdrawal Rate %	As per table below*	7.00%
Expected Average remaining working lives of employees (in years)	10.44	11.44

\*Withdrawal Rate %

Particulars	31 <sup>st</sup> March, 2020
-Age up to 30 Years	11%
-Age 31 to 40 Years	11%
-Age 41 to 50 Years	5%
-Age above 50 Years	1%

## Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of Present Value of Obligation (PVO) of the Defined Benefit Obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

Change in assumptions and impact on defined benefit obligation on account of Compensated Absences as at 31<sup>st</sup> March, 2020  
(Rupees in Lakhs)

Scenario	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Under Assumed Scenario	379.34	362.36
Discount Rate - Up by 1%	352.28	334.46
Discount Rate - Down by 1%	410.46	394.50
Salary Growth Rate - Up by 1%	406.96	390.16
Salary Growth Rate - Down by 1%	354.97	337.32
Availment Rate - Up by 1%	389.25	368.61
Availment Rate - Down by 1%	368.29	355.36

The above sensitivity analysis are based on a change in an assumption holding all other assumptions constant.

The expected future benefit payments are as follows:

(Rupees in Lakhs)

Year ending 31 <sup>st</sup> March, 2020	Expected benefit payment
2021	53.04
2022	39.14
2023	39.86
2024	45.05
2025	41.72
2026 - 2030	323.73

(v) The major categories of plan assets are as follows:

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Funds Managed by LIC of India	100%	100%

## (vi) Risk Exposure

**Asset Volatility :** All plan assets are maintained in a trust managed by a public sector insurer viz. LIC of India. LIC has been providing consistent and competitive returns over the years. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

**Discount Rate Risk :** Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

**Future salary increase and inflation risk :** Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

**Asset-Liability mismatch risk :** Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

## Note 41. Contingent liabilities and Commitments (to the extent not provided for)

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>a. Contingent liabilities</b>		
- Performance Bank Guarantee for services provided/to be provided	283.99	227.21
- Receivable from Bharat Sanchar Nigam Limited*	-	264.66
<b>b. Commitments</b>	-	-
<b>Total</b>	<b>283.99</b>	<b>491.87</b>

### \*Receivable from Bharat Sanchar Nigam Limited

Performance bank guarantees aggregating to Rs.590 lacs submitted for IPTV franchisee agreement to M/s BSNL by the Company were encashed by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company had challenged the action of M/s. BSNL by invoking appropriate legal recourse.

Hon'ble Arbitrator has passed award dated 9th October, 2017 with respect to the arbitration proceeding of encashment of performance bank guarantee by Bharat Sanchar Nigam Limited aggregating to Rs.590 lakhs. As per the award dated 9th October, 2017, M/s. BSNL is allowed keep Rs.325.34 lakhs out of their total claims and to return Rs.264.66 lakhs (Rs.590 lakhs - Rs.325.34 lakhs) to the Company, within three months from the date of award.

BSNL filed petition to the Hon'ble High Court of Delhi on 8th January, 2018 against award passed by Hon'ble Arbitrator on 9th October, 2017.

Hence, Rs.264.66 lakhs shown as receivable from M/s. BSNL in note no 15 Other Financial Assets (Current) were contingent in nature as at 31<sup>st</sup> March, 2019. The impugned award sustained partially in the Hon'ble High Court. On 4<sup>th</sup> April, 2019, The Hon'ble High Court ordered BSNL to pay Rs.164.66 lakhs to the Company and to refer back the matter for the balance amount of Rs.100 lakhs (Rs.264.66 lakhs minus Rs.164.66 lakhs) to the Hon'ble Arbitrator for deciding afresh. Accordingly, BSNL has paid Rs.164.66 lakhs to the company on 9th May, 2019.

With respect to balance amount of Rs.100 lakhs, on 20<sup>th</sup> June, 2019, the Hon'ble Arbitrator has passed re-examined award stating that no modification is required in award passed dated 9<sup>th</sup> October, 2017. BSNL again filed petition to the Hon'ble High Court of Delhi on 19<sup>th</sup> July, 2019 against original award and re-examined award passed by Hon'ble Arbitrator on 9<sup>th</sup> October, 2017 & 20<sup>th</sup> June, 2019 respectively.

The Hon'ble High Court of Delhi has dismissed the petition filed by M/s BSNL on 25<sup>th</sup> Septmber, 2019. Hence, Rs.100 lakhs stands confirmed as receivable & are not contingent in nature as at 31<sup>st</sup> March, 2020. Accordingly, Rs.100 lakhs is shown as receivable from M/s. BSNL under Note 15 Other Financial Assets (Current).

## Note 42. Leases

The Company adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Company adopted Ind AS 116 using the modified retrospective approach. Accordingly, the Company has not restated comparatives for the year ended 31<sup>st</sup> March, 2019.

The Company's lease asset classes primarily consist of leases for land and buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or otherwise. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognised a right-of-use asset and a lease liability on April 01, 2019 i.e. date of transition to Ind AS 116 'Leases' and at the lease commencement date for leases existing on April 01, 2019 and for leases entered into after April 1, 2019 respectively. The amount of the right of use is an amount equal to present value of future lease payment i.e. future lease payment discounted using incremental borrowing rate. For leases, where no future lease payments are involved, right of use asset is recognised at carrying amount of lease asset at April 01, 2019.

On transition to Ind AS 116, the Company recognised right-of-use assets amounting to Rs. 2,053.39 lakhs, lease liabilities amounting to Rs.538.35 lakhs as at April 1, 2019. The Company discounted future lease payments using the discounting rate of 10% for measuring the lease liability.

On application of Ind AS 116, the nature of expenses has changed from lease rent recognised under Other Expenses in previous years to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. Comparatives for the year ended 31.03.19 has not been retrospectively adjusted for lease payment and therefore will continue to be reported as per earlier accounting policies i.e. under rental charges.

In accordance with IND AS 116 Leases, The payment of lease liabilities have been disclosed under cash flow from financing activities in the Cash Flow Statement. During the previous year, the lease payments made as per Ind AS 17 - Leases, were reported under cash flow from operating activities.

The table below provides details regarding the contractual maturities of lease liabilities as of 31<sup>st</sup> March, 2020 on an undiscounted basis:

Particulars	Rupees in lakhs
Less than One Year	171.80
One to Five Year	301.34
<b>Total</b>	<b>473.14</b>

## Note 43. Related Party Transactions

All related party transactions entered into during FY 2019-20 were on an arm's length basis and in the ordinary course of business.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis.

The details of the transactions with related parties are provided in the accompanying Financial Statements.

A. Related parties and their relationship (as defined under Ind AS-24 Related Party Disclosures)
<p><b>1. ENTERPRISES WHERE CONTROL EXISTS:</b></p> <p><b>A) Dometic Subsidiary</b> MKCL Knowledge Foundation</p> <p><b>B) Foreign Subsidiary</b> MKCL International FZE (dissolved on February, 26, 2019)</p> <p><b>2. JOINT VENTURES</b></p> <p><b>A) Domestic Joint Ventures</b> Haryana Knowledge Corporation Limited Odisha Knowledge Corporation Limited Rajasthan Knowledge Corporation Limited (refer note 6)</p> <p><b>B) Foreign Joint Ventures</b> MKCL Arabia Limited</p>
<p><b>3. BOARD OF DIRECTORS</b></p> <p>Dr. Anil Kakodkar, Chairman &amp; Independent Director Mr. Vivek Sawant, Managing Director (up to December 31, 2019) Ms. Veena Kamath, Managing Director (w.e.f. January, 01, 2020) Dr. Deepak Phatak, Independent Director Dr. Charudatta Mayee, Independent Director</p>



Dr. Rajaram Deshmukh, Independent Director  
 Dr. Anant Sardeshmukh, Independent Director  
 Mr. Girish Sohani, Independent Director  
 Prof. E. Vayunandan, Non-Executive Director  
 Prof. Suhas Pednekar, Non-Executive Director  
 Mr. S. V. R. Srinivas, Non-Executive Director

#### 4. KEY MANAGEMENT PERSONNEL

##### A) MANAGING DIRECTOR

Mr. Vivek Sawant (up to December 31, 2019)

Ms. Veena Kamath (w.e.f. January 01, 2020)

##### B) COMPANY SECRETARY

Ms. Komal Chaubal

##### C) CHIEF FINANCIAL OFFICER

Mr. Manoj Narvekar

#### B. Transactions and balances with Related parties (as defined under Ind AS 24)

(Rupees in Lakhs)

Sr. No	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
1	<b>Investments</b>		
	<b>A. in Subsidiaries</b>		
	- MKCL Knowledge Foundation (Held at Nominal Value as at March 31, 2020)	0.01	200.00
	- MKCL International FZE (dissolved on February 26, 2019)	-	18.81
	<b>B. in Joint Ventures</b>		
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL Arabia Limited	86.80	86.80
	- Rajasthan Knowledge Corporation Limited (refer note 6)	-	60.00
2	<b>Income</b>		
	<b>A. Sale of Goods/Services</b>		
	- MKCL Knowledge Foundation	6.93	4.92
	- MKCL International FZE	-	275.99
	- Haryana Knowledge Corporation Limited	962.56	850.57
	- Odisha Knowledge Corporation Limited	35.88	55.51
	<b>B. Dividend Received</b>		
	- MKCL International FZE	1,490.14	256.15
	- Haryana Knowledge Corporation Limited	-	6.00
	- MKCL Arabia Limited	449.06	-
	- Rajasthan Knowledge Corporation Limited	-	21.00
3	<b>Purchase of Goods/Services</b>		
	- MKCL Knowledge Foundation	0.08	13.64
	- Haryana Knowledge Corporation Limited	11.14	30.75
	- Odisha Knowledge Corporation Limited	17.80	29.53
4	<b>Expenses Reimbursed</b>		
	- Haryana Knowledge Corporation Limited	0.43	3.64
	- Odisha Knowledge Corporation Limited	13.56	1.71

<b>5</b>	<b>Expenses Recovered</b> - MKCL Knowledge Foundation - MKCL International FZE - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	8.73 - 4.37 0.77	- 2.60 1.75 2.69
<b>6</b>	<b>Advance Received</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited	0.88 563.64	0.13 -
<b>7</b>	<b>Payment/Adjustment towards Advance Received</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited	0.90 559.66	- -
<b>8</b>	<b>Remuneration, Compensation &amp; reimbursements to Directors and Key Managerial Personnel</b> -Amount paid towards remuneration & reimbursement to Independent Directors -Compensation to Key Managerial Personnel a. Short Term Employee Benefits b. Post Employment Benefits	8.69 163.46 9.80	7.77 137.62 10.36
<b>9</b>	<b>Outstanding as on date - Receivable/(Payable)</b> - MKCL Knowledge Foundation - MKCL International FZE - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	2.64 - 891.30 4.77	(2.64) 34.45 789.73 30.00

#### **Note 44. Reclassification**

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to the requirements of Revised Schedule III Format of Balance Sheet and Statement of Profit and Loss prescribed by the Companies Act, 2013 and as per the requirements of IND AS.

The standalone financial statements were approved for issue by the Board of Directors on August 20, 2020.

As per our Report attached

**For and on behalf of the Board**  
**Maharashtra Knowledge Corporation Limited**

**For G.D. Apte & Co.**  
Chartered Accountants  
Firm Registration No.: 100 515W

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Veena Kamath**  
Managing Director  
DIN : 06454315

**Umesh S Abhyankar**  
Partner  
Membership No.: 113 053

**Manoj Narvekar**  
Chief Financial Officer  
Membership No. FCA 048 254

**Komal Chaubal**  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

## INDEPENDENT AUDITOR'S REPORT

To the Members of Maharashtra Knowledge Corporation Limited

### Report on the Audit of Consolidated Financial Statements

#### 1. Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of **Maharashtra Knowledge Corporation Limited** (hereinafter referred to as the "Holding Company") and its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2020, 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 ended on that date, and a summary of the 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 and based on the consideration of reports of other auditor on separate Financial Statements of a joint venture as were audited by the other auditor, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated 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 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 consolidated state of affairs of the holding company and its joint ventures as at March 31, 2020, their consolidated profit, (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### 2. Basis for Qualified Opinion:

As stated in the Note XX to the Consolidated financial statements, the audited financial statements of a Joint Venture, MKCL Arabia Ltd (JV) are not available and the consolidation has been carried out on the basis of unaudited financial statements. Further, information and reasons for reduction of Rs. 305.65 lakhs in company's share in the reserves of the JV and information pertaining to certain related parties of JV is not available. We are unable to ascertain the impact on the consolidated financial statements of the company including the requirement for preparation of the consolidated financial statements of the JV, for want of the audited financial statements and sufficient information.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements' section of our report. We are independent of the holding company and its joint ventures 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 Consolidated 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 qualified audit opinion on the Consolidated Financial Statements.

#### 3. Emphasis of Matter

We draw attention to the following matter:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets such as receivables, investments, and other assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, policies of the Government and other relevant economic factors. Based on these observed factors, the Company expects the carrying amount of the assets will be recovered. However, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of this matter.

#### 4. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Holding Company's Management Discussion and Analysis, Report of the Board of Directors but does not include the Consolidated Financial Statements and our auditor's report thereon.

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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **5. 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 Act with respect to preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of holding company and its joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of holding company and its joint ventures are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the holding company and its joint ventures 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 holding company and its joint ventures are responsible for assessing the respective 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 respective Board of Directors of holding company and its joint ventures are also responsible for overseeing the financial reporting process of each Company.

#### **6. 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 on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 and its joint ventures which are companies incorporated in India, have 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 holding company and its joint ventures 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 holding company and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the holding company and its joint ventures 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.

Materiality is the magnitude of misstatements in the Consolidated 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 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.

## 7. Other Matters

The Consolidated Financial Statements include the holding company's share of net profit of Rs. 207.59 lakhs for the year ended March 31, 2020, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report has been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to its joint venture, is based solely on the report of the other auditor.

The Consolidated Financial Statements also include the company's share of net profit of Rs 14.26 lakhs and share in other comprehensive income of 2.77 lakhs for the year ended March 31, 2020, as considered in the Consolidated Financial Statements, in respect of a joint venture, whose Financial Statements have not been audited by us or by other auditors. These unaudited Financial Statements have been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-section (3) of Section 143 of the act in so far as it relates to the aforesaid joint venture is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Holding Company's Management, this unaudited Financial Statement is not material.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the report of the other auditor and the unaudited financial statements furnished by the management of the Holding Company.

## 8. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 except as stated in Basis for Qualified Opinion paragraph.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the

relevant books of account 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 specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 except impacts, if any, as stated in Basis for Qualified Opinion paragraph.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of a joint venture, none of the directors of the holding company and its joint venture 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 internal financial controls over financial reporting of the holding company and its joint venture and the operating effectiveness of such controls, refer to our separate report in "Annexure A" to this report.
- g. As per the information and explanations given to us, we report that, the managerial remuneration has been paid and provided in accordance with Section 197 read with schedule V of the Act and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Holding Company.
- 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the holding company and its joint ventures - Refer Note 40. to the Consolidated Financial Statements.
  - ii. The holding company and its joint ventures, did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2020.
  - iii. According to the information and explanation given to us and based on audit procedures conducted by us, we report that there has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

The final dividend for the year 2018-19 was declared on September 24, 2019. However, the said final dividend on account of 500 shares transferred to IEPF authority for the year 2018-19 of Rs.1500/- could not be transferred to bank account of IEPF authority due to technical glitches in process.

For G. D. Apte & Co  
Chartered Accountants  
Firm Registration Number: 100 515W  
UDIN: 20113053AAAADD3779

Umesh S. Abhyankar  
Partner  
Membership Number: 113 053  
Pune, August 20, 2020



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

**Report on the Internal Financial Controls 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 Maharashtra Knowledge Corporation Limited (hereinafter referred to as "Holding Company") as of March 31, 2020 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its joint ventures, 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 Holding 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 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Holding Company and its joint ventures, 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements**

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.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements:**

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 and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditor as mentioned in Other Matter Paragraph, the Holding Company and its joint venture which is a company incorporated in India, has maintained 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 respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

## **Other Matter**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to financial statements in so far as it relates to a joint venture which is a company incorporated in India, is based solely on the corresponding report of the auditor of the joint venture incorporated in India.

Our opinion is not modified in respect of the above matter.

**For G. D. Apte & Co.**  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 20113053AAAADD3779

**Umesh S. Abhyankar**  
Partner  
Membership Number: 113 053  
Pune, August 20, 2020

**MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020**

(Rupees In Lakhs)

Particulars		Note No.	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
	<b>ASSETS :</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	4	1,565.61	3,160.09
	(b) Intangible assets	4	9.94	22.13
	(c) Right of Use Assets	4	1,861.93	-
	(d) Investment in Subsidiaries and Joint Ventures	5	1,871.88	6,291.62
	(e) Financial Assets			
	(i) Other Investments	6	12,306.02	8,961.84
	(ii) Other Financial Assets	7	8,589.20	13,251.02
	(f) Deferred Tax Assets	8	-	216.90
	(g) Other Non-Current Assets	9	450.55	275.53
	<b>Total Non - Current Assets</b>		<b>26,655.13</b>	<b>32,179.13</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	10	572.18	483.36
	(b) Financial Assets			
	(i) Investments	11	2,975.90	3,117.10
	(ii) Trade Receivables	12	4,100.67	2,992.74
	(iii) Cash and Cash Equivalents	13	1,429.14	2,248.86
	(iv) Bank balance other than (iii) above	14	5,853.58	2,259.95
	(v) Other Financial Assets	15	5,432.20	4,606.14
	(c) Other Current Assets	16	324.42	231.43
	<b>Total Current Assets</b>		<b>20,688.09</b>	<b>15,939.58</b>
	<b>Total Assets</b>		<b>47,343.22</b>	<b>48,118.71</b>
	<b>EQUITY AND LIABILITIES :</b>			
<b>1</b>	<b>Equity :</b>			
	(a) Equity Share Capital	17	808.02	808.02
	(b) Other Equity	18	39,899.70	41,476.28
	<b>Total Equity</b>		<b>40,707.72</b>	<b>42,284.30</b>
<b>2</b>	<b>Non-Current Liabilities :</b>			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	19	277.07	0.76
	(b) Provisions	20	410.20	412.59
	(c) Deferred Tax Liabilities	8	225.60	-
	(d) Other Non-Current Liabilities	21	8.47	-
	<b>Total Non-Current Liabilities</b>		<b>921.34</b>	<b>413.35</b>
<b>3</b>	<b>Current Liabilities :</b>			
	(a) Financial Liabilities			
	<b>Trade Payables</b>	22		
	(i) Total outstanding dues of Micro, Small & Medium Enterprises		245.15	224.48

(ii) Total Outstanding dues of creditors other than Micro, Small & Medium Enterprises		931.57	1,387.98
(iii) Other Financial Liabilities	23	4,225.71	3,486.11
(b) Provisions	24	76.68	76.28
(c) Other Current Liabilities	25	235.05	246.21
<b>Total Current Liabilities</b>		<b>5,714.16</b>	<b>5,421.06</b>
<b>Total Liabilities</b>		<b>6,635.50</b>	<b>5,834.41</b>
<b>Total Equity &amp; Liabilities</b>		<b>47,343.22</b>	<b>48,118.71</b>

Significant Accounting Policies and the accompanying notes form an integral part of the Financial Statements.

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**MAHARASHTRA KNOWLEDGE CORPORATION LIMITED**

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020**

(Rupees In Lakhs)

Particulars		Note No.	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>I.</b>	<b>INCOME :</b>			
	(a) Revenue from Operations	<b>26</b>	15,790.37	16,178.10
	(b) Other Income	<b>27</b>	2,346.91	2,621.39
	<b>Total Income</b>		<b>18,137.28</b>	<b>18,799.49</b>
<b>II.</b>	<b>EXPENSES :</b>			
	(a) Operating Expenses- on Courses and Programs	<b>28</b>	6,711.18	7,031.09
	(b) Purchases of Stock -in -Trade		1,261.98	1,142.77
	(c) Changes in Inventories of Finished Goods, Work- in-Progress and Stock -in-Trade”	<b>29</b>	(175.82)	239.42
	(d) Employee Benefits Expenses	<b>30</b>	3,854.10	3,477.82
	(e) Finance Costs	<b>31</b>	49.87	4.74
	(f) Depreciation and Amortisation Expenses	<b>32</b>	381.05	234.56
	(g) Other Expenses	<b>33</b>	1,236.92	940.75
	<b>Total Expenses</b>		<b>13,319.28</b>	<b>13,071.15</b>
<b>III.</b>	<b>Profit / (Loss) before Tax (I-II)</b>		<b>4,818.00</b>	<b>5,728.34</b>
<b>IV.</b>	<b>Tax Expenses</b>			
	(a) Current Tax		1,505.00	1,520.00
	(b) Deferred Tax		32.48	61.09
	(c) Tax adjustments for earlier years		(1.96)	-
			<b>1,535.52</b>	<b>1,581.09</b>
<b>V.</b>	<b>Profit / (Loss) for the Year (III - IV) before share of Profit/ (Loss) of Joint Ventures</b>		<b>3,282.48</b>	<b>4,147.25</b>
	Add: Share in Profit/(Loss) of Joint Ventures (Net of Tax)		315.82	1,125.84
	<b>Profit/(Loss) for the year</b>		<b>3,598.30</b>	<b>5,273.09</b>
<b>VI.</b>	<b>Other Comprehensive Income (OCI)</b>			
	<u>Items that will not be reclassified to profit or loss</u>			
	(a) Gains/(Loss) on Re-Measurements of Post-Employment Defined Benefit Plans		25.97	(11.11)

	(b) Gains/(Loss) Fair Valuation of Investment in Equity Instrument of Other Companies		1,830.00	-
	Income tax relating to items that will not be reclassified to profit or loss		(410.01)	3.24
	<u>Items that will be reclassified to profit or loss</u>			
	Exchange differences on translation of foreign operations		56.14	181.68
	Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Other Comprehensive Income/(Loss) for the year before share of Profit/ (Loss) of Joint Ventures (Net of Tax)</b>		<b>1,502.10</b>	<b>173.81</b>
	Add: Share in OCI Gain/(Loss) of Joint Ventures (Net of Tax)		2.77	-
	<b>Other Comprehensive Income (OCI) for the year</b>		<b>1,504.87</b>	<b>173.81</b>
<b>VII</b>	<b>Total Comprehensive Income / (Loss) for the period (V+ VI)</b>		<b>5,103.17</b>	<b>5,446.90</b>
	Earning Per Equity Share (EPS) (In Rupees)	<b>36</b>		
	Face Value of Rs.10/- Each			
	(a) Basic		44.53	65.26
	(b) Diluted		44.53	65.26
The accompanying notes form an integral part of the Financial Statements.				

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

MAHARASHTRA KNOWLEDGE CORPORATION LIMITED

Regd. Office.- ICC TRADE TOWER, 'A' WING, 5<sup>TH</sup> FLOOR, SENAPATI BAPAT ROAD, SHIVAJINAGAR, PUNE -411016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) before tax	4818.00	5728.34
Adjustment for :		
Depreciation	381.05	234.56
Impairment and write off of Investment in Subsidiary	199.99	-
Loss on Disposal of Subsidiary (net)	130.23	-
Provision for Expected Credit Loss	95.20	-
Bad Debts written off	61.48	1.34
Loss/(Gain) on Fair Valuation of Investment	45.81	(112.39)
Finance Cost	49.87	-
Other non cash items	7.25	1.25
Provision for Non Moving Inventory	0.24	-
Interest Income on Fixed Deposits, Long Term Tax Free Bonds & Non Convertible Debentures	(1936.42)	(1902.83)
Dividend Income	(241.81)	(351.77)
Old Balances Written Back	(182.21)	(235.23)
Interest on Security Deposit	(5.28)	-
(Profit)/Loss on Sale of Fixed Assets	(0.31)	-
<b>Operating Profit before Working Capital Changes</b>	<b>3423.09</b>	<b>3363.27</b>
<b>Adjustment for changes in operating assets (Increase)/Decrease</b>		
Inventories	(89.36)	240.09
Trade Receivable	(1327.29)	(879.62)
Other Financial Assets Current	204.20	(920.79)
Other Current Assets	(99.77)	(128.77)
Other Non Current Assets	(3.88)	(27.80)
Bank Balance Other than Cash & Cash Equivalent	(1.61)	-
Other Financial Assets Non-Current	2.12	(16.45)
<b>Adjustment for changes in operating liabilities Increase/(Decrease)</b>		
Trade Payables	(394.02)	(254.86)
Other Financial Liabilities Current	844.89	550.37
Other Current Liabilities	(8.00)	64.84
Provision Current	2.47	(26.50)
Other Financial Liabilities Non-Current	(0.76)	(1.48)
Provision Non-Current	(0.61)	(16.50)
Provision Other Non-Current	8.47	-
<b>Cash Generated from Operations</b>	<b>2,559.94</b>	<b>1945.79</b>
Income tax paid	(1685.22)	(1612.90)
<b>Net Cash from Operating Activities</b>	<b>874.72</b>	<b>332.89</b>



<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Property, plant and equipment (Net)	(72.97)	(148.40)
Acquisition of Other Intangible assets (Net)	(2.21)	(5.07)
Proceeds from liquidation of subsidiary (MKCL Int FZE)	1508.95	-
Purchase of Investments	(1500.00)	(2017.13)
Bank Deposits (Placed)/Matured - Net	(816.42)	-
(Acquisition)/Disposal of liquid mutual funds - Net	365.01	153.54
Share in Profit/(Loss) of Associates	-	1,125.84
Investment in Joint Venture	-	(1100.00)
Foreign Currency Translation Difference	-	181.68
Dividend Received from:-		
a. Subsidiary	-	171.23
b. Joint Venture	449.06	27.00
c. Other Companies	18.00	-
Interest Received from:-		
a. Long Term Tax Free Bonds	473.34	472.71
b. Fixed Deposits with Banks	139.62	493.17
c. Non Convertible Debentures	8.80	-
<b>Net Cash from Investing Activities</b>	<b>571.18</b>	<b>(645.43)</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(244.03)	(202.00)
Re-payment of Lease Liability	(168.37)	-
Dividend Distribution Tax Paid	-	(35.86)
<b>Net Cash from Financing Activities</b>	<b>(412.40)</b>	<b>(237.86)</b>
<b>Net Increase / Decrease in Cash &amp; Cash Equivalent</b>	<b>1033.50</b>	<b>(550.41)</b>
Cash and cash equivalents at the beginning of the year	<b>2248.86</b>	<b>2799.26</b>
Adjustment on account of disposal of subsidiary	(1805.98)	-
Adjustment on account of discontinuation of consolidation of a subsidiary	(47.24)	-
Adjusted Cash and cash equivalents at the beginning of the year	<b>395.64</b>	<b>2799.26</b>
Cash and cash equivalents at the end of the year (Note 13)	<b>1429.14</b>	<b>2248.86</b>
<b>Note to cash flow statement:</b>		
1. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS)-7, 'Statement of Cash Flow' as specified in the Companies (Indian Accounting Standards) Rules, 2015.		
2. Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.		
3. All figures in brackets indicate outflow.		

As per our Report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration No.: 100 515W

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Veena Kamath  
Managing Director  
DIN : 06454315

Umesh S Abhyankar  
Partner  
Membership No.: 113 053

Manoj Narvekar  
Chief Financial Officer  
Membership No. FCA 048 254

Komal Chaubal  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**Statement of Change in Equity**

For the year ended 31<sup>st</sup> March, 2020

**A. Equity Share Capital :**

(Rupees In Lakhs)	
Particulars	Amount
Balance as at 1 <sup>st</sup> April, 2018	808.02
Changes in Equity Share Capital during the year	-
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>808.02</b>
Balance as at 1 <sup>st</sup> April, 2019	808.02
Changes in Equity Share Capital during the year	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>808.02</b>

**B. Other Equity :**

(Rupees In Lakhs)						
Particulars	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Currency Translation Reserves	Corpus Donation	Total
Balance as at 1 <sup>st</sup> April, 2018	6,400.00	27,989.32	-	17.19	1,860.73	36,267.24
Profit/(Loss) for the year	-	5,273.09	-	-	-	5,273.09
Recognised during the year on account of fluctuation in foreign exchange translation reflected in OCI	-	-	-	181.68	-	181.68
Remeasurement of post-employment benefit obligations- (loss)/ gain	-	(7.87)	-	-	-	(7.87)
Transfer to / transfer in to Reserves	500.00	(500.00)	-	-	-	-
Final Dividend for F.Y. 2017-18	-	(202.00)	-	-	-	(202.00)
Tax on Final Dividend for F.Y. 2017-18	-	(35.86)	-	-	-	(35.86)
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>6,900.00</b>	<b>32,516.68</b>	<b>-</b>	<b>198.87</b>	<b>1,860.73</b>	<b>41,476.28</b>

Particulars	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Currency Translation Reserves	Corpus Donation	Total
Balance as at 1 <sup>st</sup> April, 2019	6,900.00	32,516.68	-	198.87	1,860.73	41,476.28
Profit/(Loss) for the year	-	3,598.30	-	-	-	3,598.30
Recognised during the year on account of fluctuation in foreign exchange translation reflected in OCI	-	-	-	56.14	-	56.14
Remeasurement of post-employment benefit obligations- (loss)/ gain	-	22.20	-	-	-	22.20
Transfer to / transfer in to Reserves	500.00	(500.00)	-	-	-	-
Recycled to Statement of Profit & Loss on disposal of a subsidiary (ref note 42)	-	-	-	(198.87)	-	(198.87)
Adjustments on discontinuation of consolidation of a subsidiary (ref note 5)	-	(92.31)	-	-	(1860.73)	(1953.04)

Adjustments on reclassification of a joint venture as investments in equity instruments measured at FVTOCI (ref note 43)	-	(3979.77)	1,426.53	-	-	(2553.24)
Adjustments in respect of reserves of joint venture MKCL Arabia Limited (refer note 44)	-	(305.66)	-	-	-	(305.66)
Final Dividend for F.Y. 2018-2019	-	(242.41)	-	-	-	(242.41)
Tax on Final Dividend for F.Y. 2018-2019*	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>7,400.00</b>	<b>31,017.03</b>	<b>1,426.53</b>	<b>56.14</b>	<b>-</b>	<b>39,899.70</b>
*Income Tax on Final Dividend has been fully set off against tax paid u/s 115BBD of Income Tax Act, 1961 on Dividend received from the foreign subsidiary, MKCL International FZE as per the provisions of the Income Tax Act, 1961.						

As per our Report attached

**For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited**

**For G.D. Apte & Co.**  
Chartered Accountants  
Firm Registration No.: 100 515W

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Veena Kamath**  
Managing Director  
DIN : 06454315

**Umesh S Abhyankar**  
Partner  
Membership No.: 113 053

**Manoj Narvekar**  
Chief Financial Officer  
Membership No. FCA 048 254

**Komal Chaubal**  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020

NOTES TO ACCOUNTS

1. Corporate Information

Maharashtra Knowledge Corporation Limited CIN U80302 PN2001 PLC135348 ("The Company or the parent") is an unlisted public company incorporated in India having its registered office at ICC Trade Tower, 'A' Wing 5<sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411016, Maharashtra, India. The Company was promoted by the Department of Higher and Technical Education (H & TE), Government of Maharashtra (GoM), India and was incorporated under the Companies Act, 1956 on 20<sup>th</sup> August, 2001 as a Public Limited Company.

MKCL is a high tech initiative by Government of Maharashtra in design, development and delivery of **eLearning**, **eGovernance**, and **eEmpowerment** programs, technologies, solutions and services and has proven experience in the said fields.

The Consolidated Financial Statements (CFS) comprise of financial statements of Maharashtra Knowledge Corporation Limited i.e. MKCL (the 'Company') for the year ended 31<sup>st</sup> March, 2020 and its joint ventures. The company is primarily engaged in the business of IT literacy, IT skill development, Digital University, eGovernance and related IT services.

Name	Country of Incorporation	Joint Venture/ Associate	% of holding on 31.03.2020	% of holding on 31.03.2019
Haryana Knowledge Corporation Limited	India	Joint Venture	30%	30%
Odisha Knowledge Corporation Limited	India	Joint Venture	50%	50%
MKCL Arabia Ltd	Saudi Arabia	Joint Venture	50%	50%

2. Recent Accounting pronouncements

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements. There are no new standards or amendments notified by the Ministry of Corporate Affairs which would have been applicable from April 01, 2020.

3. Significant Accounting Policies

I. BASIS OF CONSOLIDATION

- The CFS has been prepared in accordance with the Indian Accounting Standard (IND AS) 110 and IND AS 28 "Consolidated Financial Statements", "Accounting for Investments in Joint Ventures/Associates in Consolidated Financial Statements" notified under section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies Accounts Rule 2014 (Indian GAAP).
- The consolidated financial statements comprise the financial statements of the Parents and its joint ventures as at March 31, 2020. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Control is achieved when the Parent is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns to its power over the investee. Specifically, the Parent controls an investee if and only if the parent has:

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

Generally, there is presumption that a majority of voting rights result in control. To support this presumption and when the parent has less than a majority of the voting or similar rights of an investee, the parent considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i. The contractual arrangement with the other vote holders of the investee.
  - ii. Rights arising from other contractual arrangements.
  - iii. The parent voting rights and potential voting rights.
  - iv. The size of the parent holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Parent re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the parent obtains control over the subsidiary and ceases when the parent loses control of the investee. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the parent gains control until the date the parent ceases to control the subsidiary.

- c. Consolidated Financial Statement are prepared using inform Accounting Policies for like transactions and other events in similar circumstance. The financial statement of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent , i.e. year ended on March 31, 2020.
- d. During current reporting period i.e. financial year 2019-20, the company has not taken into consideration financials of Rajasthan Knowledge Corporation Limited (RKCL) in which the company has 30% shareholding for the purpose of consolidation as there is absence of factors mentioned above which establish control over the investee by the parent. The company as of now intends to hold the shareholding in equity shares of RKCL for investment purpose only. Also, the company has not considered financial of MKCL Knowledge Foundation, a wholly owned subsidiary of company as this company is registered under section 8 of Companies Act, 2013. Special provisions are laid down for utilization of unutilized profits of such company only for the purpose of promoting its objectives and prohibit the payment of any dividend to its members. Also, at the time of winding up or dissolution, surplus assets, if any, may be transferred to another company registered under Section 8 having similar objects. Considering the above mentioned facts, the company has decided to hold investment in MKCL Knowledge Foundation at nominal value and accordingly impairment loss is recognized in statement of profit and loss and the Company has not considered financials for the purpose of consolidation.

## II. PRINCIPLES OF CONSOLIDATION

### a. Subsidiaries

Subsidiaries are consolidated from the date control commences until the date control ceases. The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by- line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard. Accounting policies of the respective subsidiaries are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the parent under Ind AS. The results of subsidiaries acquired or disposed of during the year are included in the CFS from the effective date of acquisition and up to the effective date of disposal, as appropriate.

### b. Joint Venture

The parent's investments in its joint venture are accounted for using the equity method. Under the equity method, investments in joint venture are carried in the consolidated Balance sheet at cost as adjusted for post-acquisition changes in the parents share of the net assets of the joint venture, less any impairment in the value of the investments after fully eliminating intra-group balances/transactions and unrealized profits or losses. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

The joint venture is accounted for from the date on which parent obtains joint control over joint venture for the same reporting period as the parent. Where necessary, adjustments are made to bring the accounting policies in line with those of the parent.

## III. BASIS OF PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

### a) STATEMENT OF COMPLIANCE:

The Consolidated Financial Statements are in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The company adopted Ind AS from 1st April, 2018.

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116

replaces Ind AS 17 - Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has applied Ind AS 116 using the modified retrospective approach, under which there is no impact as at April 1, 2019 consequent to the transition the comparative information has not been restated.

Except for the above, the Company has consistently applied accounting policies while preparing these Consolidated Financial Statements.

**b) BASIS OF MEASUREMENT:**

The accompanying financial statements of the Company are prepared on historical cost or at amortized cost and accrual basis except for the following assets and liabilities which have been measured at fair value: -

- i) Investments in Equity, Liquid Funds, Mutual Funds, Exchange Traded Funds
- ii) Defined benefit plans.

**c) FUNCTIONAL AND PRESENTATION CURRENCY:**

The Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (Rs.) rounded off to nearest lakhs (unless otherwise stated), which is the Company's functional and presentation currency.

#### **IV. USE OF ESTIMATES & JUDGEMENTS**

The preparation of financial statement in conformity with Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/ materialized. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

**a) Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets such as receivables, investment in subsidiaries & other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information, policies of the Government and other relevant economic factors. Based on these observed factors, the Company expects the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

**b) Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 6, note 11 and note 37.

### c) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about defined benefit plans obligations are given in note 40.

### d) Deferred tax

Deferred tax assets are recognized for all the deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused losses can be utilized.

### e) Impairment of financial assets

The Company makes loss allowances for credit impaired debts based on an assessment of the recoverability of trade and other receivables. The identification of credit impaired debts enquires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and credit impaired debts expenses in the period in which such estimate has been changed.

### f) Provisions and Contingent Liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts where an outflow of funds is believed to be probable and a reliable estimate of the outcome of an uncontrollable event can be made.

## V. OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in notes forming part of these financial statements. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

## VI. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking in to account contractually defined terms of payments and excluding taxes collected on behalf of the government.

### a) Income from Programs

#### **Knowledge Lit Skill Development Program (KLS-DP) and Network Partnerships Management Program (NP-MP)**

Course Fees from MS-CIT, MS-ACIT, KLIC, Mastering and other courses primarily consist of revenue accrued based upon number of learners confirmed i.e when the learners get the user id and login for their respective courses. Full/part amount of course fees is received in advance by the Company and is not refundable. Also there is no remaining obligation relating to the services offered relating to the courses once the learner is confirmed and also all of the performance obligation is transferred to the learner in the form of the course learning. Such confirmed learners are registered on web-based SOLAR application of the company during the current accounting period.



Exam Fees and Re-exam Fees from MS-CIT and KLiC courses are recognized on the basis of learners registered on web-based SOLAR application.

Renewal Fees and New Center Registration fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

#### **Mission Mode Skill Development Program (MMS-DP)**

Income under this program is recognized on the basis of learner's confirmed i.e when the learners get the user id and login for their respective courses. Also there is no remaining obligation relating to the services offered relating to the courses once the learner is confirmed and also all of performance obligation is transferred to the learner in the form of the course learning. Such confirmed learners are registered and other relevant data for revenue booking is received from the web-based SOLAR application as per agreement with customer.

#### **Digital University - Business Development Program (DU-BDP)**

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web-based Digital University application. Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web-based online admission/recruitment application.

The framework is configured in such a way that the services are made available in student/college login. There is no bifurcation of e-Suvidha fees as per the Government GR as well as in the agreement with the Company.

#### **eGovernance Program (eGov-BDP)**

Income under this program is recognized on the basis of contract/agreements with customers and when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

#### **Knowledge Lit Careers Development Program (KLC-DP)**

Revenue under the head MKCL - Finishing School (MFS program) is recognized on the basis of actual student's admission count from the web-based application. The fees collected are non-refundable. Every student is given a laptop on which the content of the degree course is initially downloaded and a login is given to the student for the same. It is a work based learning degree program.

#### **International Business Development Program (I-BDP)**

Income is recognized on accrual basis and is booked on admission confirmation available on the portals through their monthly payment statements and also when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

#### **Products in Exponential Technologies Business Development Program (ProNExT)**

Income is recognized on accrual basis on sale of product to customer and when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

#### **b) Other Income**

Interest on fixed deposits with banks, debentures, bonds etc. is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. In case of significant uncertainty of receiving interest, the same is not recognised though accrued and is recognised only when received.

Income from investments in liquid rate funds is recognized upon receipt of dividend from the respective fund.

Profit/Loss of the sale/redemption of investments is dealt with at the time of actual sale/redemption.

Dividend from investments is recognized when the shareholder's right to receive payment is established and it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

### **VII. EXPENDITURE**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

The company is handling and facilitating the contribution done by its network partners which is intended for doing common marketing - regional/specific location wise as mutually agreed amongst them. Accounting related to such transactions are not brought in to the Company's Profit and Loss account and they are accounted as Balance Sheet items. Such common marketing contribution expenses are accounted, incurred and paid for as and when they actually accrue, by the Company.

#### VIII. PROPERTY, PLANT & EQUIPMENT

Land is carried at historical cost. Property, plant and equipment, other than land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable) and includes interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to property, plant and equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

#### IX. INTANGIBLE ASSETS

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalized upon acquisition and measured initially at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use. Intangible assets are stated at cost less accumulated amortization and impairment. Amortisation is recognised on a straight line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

An Intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Research & development costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

#### X. DEPRECIATION

Depreciation of Property, Plant & Equipment i.e. tangible asset commences when the assets are ready for their intended use. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a Written Down Value (WDV) basis. Useful life is the period over which an asset is expected to be available for use by an entity. Depreciation for assets purchased/sold/discarded during the period is provided on pro-rata basis with respect to date of acquisition/disposal. Land is not depreciated.

The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the carrying amount of property, plant and equipment and Intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

The estimated useful lives of Property, Plant and Equipment of the company are as follows:

Particular of Asset	Useful Life
Office Building	60 Years
Air Conditioner	5 Years
Computer Hardware & IT Assets	3 to 6 Years*
Electrical Fittings	10 Years
Furniture & Fixtures	10 Years
Solar Panel	15 Years
Office Equipment	5 Years

The useful life of an intangible asset is considered 5 years amortized over their estimated useful lives by the straight line method.

\*The Company, based on management estimates, depreciates certain items of Computer Hardware & IT assets (Refurbished Servers) over estimated useful lives which are different than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

## XI. INVENTORIES

Inventories are stated at cost or Net realizable value whichever is less. The method used for valuation is First in First Out (FIFO). Cost comprises cost of purchase, inward freight, other taxes (other than those subsequently recoverable by the entity from the taxing authorities) & expenditure incurred in the normal course of business in bringing such inventories to its present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, adequate provision is made or it is written off.

## XII. FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognized in Statement of profit and loss.

Gains/Losses arising on settlement as well as on translation of monetary items at the reporting date are recognized in the Statement of Profit and Loss.

## XIII. EMPLOYEE BENEFITS

### A. Short term obligations:

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits and are measured on an undiscounted basis according to the terms and conditions of employment.

Employee benefits like salaries, including leave encashment payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service. The liabilities are presented as current employee benefit payable.

The company contributes to a Provident Fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government, which is a defined contribution plan, and is charged to Statement of Profit and Loss. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

### B. Long term employee benefits obligations:

#### Post -Employment Obligations: -

#### Defined Benefit Plans:

#### Gratuity:

The Company provides for gratuity as per the Payment of Gratuity Act, 1972, and is eligible to employees who are in continuous service for a period of 5 years, a defined benefit retirement plan covering all employees. It has subscribed

to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Re-measurement gains or losses arising from actuarial calculations and assumptions are recognized immediately in the period in which they occur directly in "Other Comprehensive Income". The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

**Leave:**

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date. The company has done actuarial valuation of leave plan and the Gains & Losses through re-measurement are recognized in Statement of profit & loss.

#### **XIV. FINANCIAL INSTRUMENTS, FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument.

##### **Fair value measurement**

The Company measures financial instruments such as investments in equity shares, mutual funds etc. at fair value at each reporting date.

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.

The principal 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.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient information is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## a. Financial Assets:

### Recognition & initial Measurement:

Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations.

### Subsequent Measurement:

For the purpose of subsequent measurement, financial assets are classified in five categories:

- Debt Instrument at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Investments in equities of subsidiaries and joint ventures at cost

#### i) Debt Instrument at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment i.e. Expected Credit Loss (ECL) are recognized in the profit or loss. This category generally applies to investment in Non-Convertible Debentures, investment in Long Term Tax Free Bonds, Fixed deposits with Banks, trade receivables, Security deposits & other receivables.

#### ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

The Company has not designated any debt instrument as at FVTOCI

#### iii) Debt instruments and equity instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All equity investments in scope of Ind AS 109 except those measured at fair value through other comprehensive income (FVTOCI) are measured at fair value through profit and loss.

Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise.

#### iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For equity instrument other than those measured at fair value through profit & loss account, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit & loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity and actual gain or loss on sale of investment based on the carrying value of investment on the date of sale can be recognized in the statement of profit and loss.

This category generally applies to equity instruments which are unquoted and where principal market is not available to determine fair value. In such cases, the fair value is based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable or unobservable in the most advantageous market for the asset and it is accessible to the company assuming that market participants act in their best economic interest.

v) Investments in equities of subsidiaries and joint ventures at cost

Investment in joint ventures are carried at cost less accumulated impairment if any.

Investment in equity shares of subsidiary namely MKCL Knowledge Foundation being a section 8 company has been fully impaired and charged to the statement of profit & loss in current period as there is neither any exposure nor any right over any kind of returns from investee and as these instruments cannot be practically sold.

#### **Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are carried at amortized cost. Based on the past history and track records the company has assessed the risk of default and expected credit losses are assessed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ (or income) in the statement of profit and loss (P&L). In Balance Sheet financial assets are measured at amortized cost and ECL is presented as an allowance, i.e., as an integral part of measurement of those assets in the balance sheet. The allowance reduces the net carrying amount until the asset meets write-off criteria.

In accordance with Ind AS 109 - Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables wherein impairment loss allowance based on lifetime expected credit loss at each reporting date, is recognized right from its initial recognition.

#### **Reclassification:**

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

#### **De-recognition:**

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

- the rights to receive cash flows from the asset have expired, or has been transferred; and
- the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

(a) amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.



## b. Financial Liabilities:

Deposits received, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

## c. Offsetting of financial instruments:

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

## XV. LEASES

Ministry of Corporate Affairs (“MCA”), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 - Leases which is effective from April 1, 2019.

Ind AS 116 replaced the existing leases standard, Ind AS 17 Leases and related interpretation. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees and requires a lessee to recognize assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has adopted Ind AS 116 in the current reporting period beginning April 1, 2019. The Company has applied the standard to its all leases with a lease term of more than 12 months, as per modified retrospective approach and hence the Company has not restated comparative information.

On 1<sup>st</sup> April, 2019, the company has recognized lease liability in Balance Sheet measured at the present value i.e. remaining lease payments discounted using incremental borrowing rate. The carrying amount of the right of use is an amount equal to the carrying amount of the lease liability on the date of initial application and hence no impact on retained earnings as on transition date. For leases, where no future lease payments are involved right of use asset is recognized at carrying amount of lease asset at April, 01, 2019.

The treatment for expenses related to those leases, will change from lease rent in previous periods to: -  
a) amortization charge for the right-to-use asset, and  
b) interest accrued on lease liability.

Application of Ind AS 116 does not have any material impact on the financial statements of the company.

## XVI. DIVIDEND

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

## XVII. CASH & CASH EQUIVALENT

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## XVIII. CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities based on the extent of information available.

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. In the



Statement of Cash Flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered as integral part of the Company's cash management.

#### **XIX. EVENTS AFTER THE REPORTING PERIOD**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed if material.

#### **XX. EARNINGS PER SHARE:**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### **XXI. SEGMENT REPORTING**

##### **i) Identification of segment**

An operating segment is a component of a company whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and assess its performance and for which discrete financial information is available.

##### **ii) Allocation of income and direct expenses and unallocated expenses**

Income and direct expenses allocable to segments are classified based on items that are individually identifiable to that segment. Common allocable costs are allocated to each segment pro-rata on the basis of count of learners/ admissions or revenue of business segment to the total revenue of the Company. Revenue, expenses which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses.

##### **iii) Segment policies**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

#### **XXII. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

XXIII. TAXES ON INCOME

Taxes on income comprises of current taxes and deferred taxes.

**a. Current income tax**

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

**b. Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss, (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

**For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited**

As per our Report attached

**For G.D. Apte & Co.**  
Chartered Accountants  
Firm Registration No.: 100 515W

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Veena Kamath**  
Managing Director  
DIN : 06454315

**Umesh S Abhyankar**  
Partner  
Membership No.: 113 053

**Manoj Narvekar**  
Chief Financial Officer  
Membership No. FCA 048 254

**Komal Chaubal**  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**Note 4. Property, Plant and Equipment**  
**As at 31<sup>st</sup> March, 2020**

Particulars	(Rupees in Lakhs)										Total	
	Freehold Land	Leasehold Land *	Office Building	Plant and Machinery	Air Contioner	Computer & IT Assets	Electrical Fittings	Furniture and Fixture	Solar Panel Power Generation Plant	Office Equipment		
<b>Gross Carrying amount</b>												
Cost as at 1 <sup>st</sup> April, 2019	40.87	1,684.26	2,080.23	1.04	89.14	684.74	133.80	497.34	6.46	378.35		5,596.23
Additions	-	-	-	-	0.27	62.64	7.75	2.02	-	1.01		73.69
Disposals/Adjustments	-	1,684.26	-	1.04	1.22	0.10	-	0.32	-	-		1,686.94
<b>Cost as at 31<sup>st</sup> March, 2020</b>	<b>40.87</b>	<b>-</b>	<b>2,080.23</b>	<b>-</b>	<b>88.19</b>	<b>747.28</b>	<b>141.55</b>	<b>499.04</b>	<b>6.46</b>	<b>379.36</b>		<b>3,982.98</b>
<b>Accumulated Depreciation</b>												
As at 1 <sup>st</sup> April, 2019	-	191.73	722.24	1.04	74.79	597.76	106.21	396.71	5.39	340.27		2,436.14
Depreciation for the year	-	-	66.20	-	6.80	58.59	8.25	24.99	0.19	10.22		175.24
Disposals/Adjustments	-	191.73	-	1.04	1.07	0.05	-	0.12	-	-		194.01
<b>As at 31<sup>st</sup> March, 2020</b>	<b>-</b>	<b>-</b>	<b>788.44</b>	<b>-</b>	<b>80.52</b>	<b>656.30</b>	<b>114.46</b>	<b>421.58</b>	<b>5.58</b>	<b>350.49</b>		<b>2,417.37</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2020</b>	<b>40.87</b>	<b>-</b>	<b>1,291.79</b>	<b>-</b>	<b>7.67</b>	<b>90.98</b>	<b>27.09</b>	<b>77.46</b>	<b>0.88</b>	<b>28.87</b>		<b>1,565.61</b>

Notes:

\*1) With the applicability of Ind AS 116 w.e.f 1<sup>st</sup> April, 2019, the company had reinstated the leasehold land as property, plant & equipment for FY 2018-2019 but from FY 2019-2020 onwards leasehold land is being removed from property, plant & equipment and disclosed seperately under Right of Use under Non Current Assets depreciated over the lease term.

As at 31<sup>st</sup> March, 2019

Particulars	(Rupees in Lakhs)										
	Free-hold Land	Leasehold Land *	Office Building	Plant and Machinery	Air Conditioner	Computer & IT Assets	Electrical Fittings	Furniture and Fixture	Solar Panel Power Generation Plant	Office Equipment	Total
<b>Gross Carrying amount</b>											
Cost as at 1 <sup>st</sup> April, 2018	40.87	1,684.26	2,072.00	1.04	80.28	609.22	131.03	458.40	6.46	364.27	5,447.83
Additions	-	-	8.23	-	8.86	75.52	2.77	38.94	-	14.08	148.40
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>Cost as at 31<sup>st</sup> March, 2019</b>	<b>40.87</b>	<b>1,684.26</b>	<b>2,080.23</b>	<b>1.04</b>	<b>89.14</b>	<b>684.74</b>	<b>133.80</b>	<b>497.34</b>	<b>6.46</b>	<b>378.35</b>	<b>5,596.23</b>
<b>Accumulated Depreciation</b>											
As at 1 <sup>st</sup> April, 2018	-	160.35	652.72	1.04	51.28	555.92	97.36	370.22	5.15	320.72	2,214.76
Depreciation for the year	-	31.38	69.52	-	23.51	41.84	8.85	26.49	0.24	19.55	221.38
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>-</b>	<b>191.73</b>	<b>722.24</b>	<b>1.04</b>	<b>74.79</b>	<b>597.76</b>	<b>106.21</b>	<b>396.71</b>	<b>5.39</b>	<b>340.27</b>	<b>2,436.14</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2019</b>	<b>40.87</b>	<b>1,492.53</b>	<b>1,357.99</b>	<b>-</b>	<b>14.35</b>	<b>86.98</b>	<b>27.59</b>	<b>100.63</b>	<b>1.07</b>	<b>38.08</b>	<b>3,160.09</b>

Notes:

\* 1) There are no future minimum lease payments in respect of this Leasehold Land. The lease terms expires within period of 60 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions.

## Note 4. Intangible Assets

As at 31<sup>st</sup> March, 2020

(Rupees in Lakhs)

Particulars	Computer Software
<b><u>Gross Carrying amount</u></b>	
Cost as at 1 <sup>st</sup> April, 2019	448.76
Additions	2.21
Disposals	-
<b>Cost as at 31<sup>st</sup> March, 2020</b>	<b>450.97</b>
<b><u>Accumulated Depreciation</u></b>	
As at 1 <sup>st</sup> April, 2019	426.69
Depreciation for the year	14.34
Disposals	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>441.03</b>
<b>Net Carrying amount As at 31<sup>st</sup> March, 2020</b>	<b>9.94</b>

As at 31<sup>st</sup> March, 2019

Particulars	Computer Software
<b><u>Gross Carrying amount</u></b>	
Cost as at 1 <sup>st</sup> April, 2018	443.88
Additions	5.07
Disposals	-
<b>Cost as at 31<sup>st</sup> March, 2019</b>	<b>448.95</b>
<b><u>Accumulated Depreciation</u></b>	
As at 1 <sup>st</sup> April, 2018	413.64
Depreciation for the year	13.18
Disposals	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>426.82</b>
<b>Net Carrying amount as at 31<sup>st</sup> March, 2019</b>	<b>22.13</b>

**Note 4. Right of Use Assets**

(Rupees in Lakhs)

Particulars	Lease Hold Land	Other Rental Premises	Total
<b>Gross Block</b>			
- Balance as at 1 <sup>st</sup> April, 2019	-	-	-
- Amount recognized on transition to IND AS 116 - "Leases"	1,492.53	560.87	2,053.40
- (Disposals)/ (Adjustments)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>1,492.53</b>	<b>560.87</b>	<b>2,053.40</b>
<b>Accumulated Depreciation</b>			
- Balance as at 1 <sup>st</sup> April, 2019	-	-	-
- Depreciation provided during the year	31.38	160.09	191.47
- (Disposals)/ (Adjustments)	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>31.38</b>	<b>160.09</b>	<b>191.47</b>
<b>Net Block</b>			
Balance as at 1 <sup>st</sup> April, 2019	-	-	-
Balance as at 31 <sup>st</sup> March, 2020	1,461.15	400.78	1,861.93

**Note 5. Investment in Subsidiaries and Joint Ventures**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I) Investment in Equity Instruments (Unquoted)</b>		
<b>(a) Investment in Subsidiaries at Cost</b>		
MKCL International FZE (Foreign)*	-	-
1 Share @ Rs.18,80,816/-		
MKCL Knowledge Foundation**	0.01	-
20,00,000 Shares @ Rs. 10/- each (held at nominal Value as at 31 <sup>st</sup> March, 2020)		
<b>Total Investment in Subsidiaries (a)</b>	<b>0.01</b>	<b>-</b>
<b>(b) Investment in ( Foreign ) Joint ventures at Cost</b>		
MKCL Arabia Ltd.	549.46	1,154.07
500 Shares @ SAR 1000 equivalent to Rs.17,359/- Per Share		
<b>Total Investment in (Foreign) Joint Ventures (b)</b>	<b>549.46</b>	<b>1,154.07</b>
<b>(c) Investment in (Domestic) Joint Ventures at Cost</b>		
Odisha Knowledge Corporation Limited	683.79	666.75
6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up		
Haryana Knowledge Corporation Limited	638.62	431.03
6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up		

Rajasthan Knowledge Corporation Limited 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	-	4,039.77
<b>Total Investment in (Domestic) Joint Ventures (c)</b>	<b>1,322.41</b>	<b>5,137.55</b>
<b>Total Investments in Subsidiaries &amp; Joint Ventures</b>	<b>1,871.88</b>	<b>6,291.62</b>
Aggregate amount of quoted investments at market value	-	-
Aggregate amount of Unquoted investment at book value	<b>1,871.88</b>	<b>6,291.62</b>

\* MKCL International FZE, a wholly owned foreign subsidiary of company dissolved on 26<sup>th</sup> February, 2019. During the year, company has received Rs.1,508.95 lakhs from MKCL International FZE as a part of liquidation proceeds.

\*\*In terms of Ind AS 110, 'Consolidated Financial Statements', the company, during the year reviewed the control over MKCL Knowledge Foundation (MKCL KF) for the purpose of its inclusion in the Consolidated Financial Statements. Since MKCL KF is a not for profit company, the Companies Act 2013, prohibits any distribution of dividend and as such the company does not have an exposure or right to any variable returns from its investments. Accordingly, though MKCL KF would be continued to be treated as a subsidiary under the Companies Act, 2013, the same is not included for consolidation in the consolidated financial statements from the year 2019-2020 in view of control criterions under Ind AS 110, 'Consolidated Financial Statements'. The investment of Rs.200 lakhs has been fully impaired and written off during the year 2019-2020, based on the review of its realisable value.

## Note 6. Other Non-Current Investments

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>I) Investment in Equity instruments of Other Companies at Fair Value through OCI</b>		
Rajasthan Knowledge Corporation Limited* 6,00,000 (P.Y. 6,00,000) Equity Shares @ Rs.10/- each fully paid up	1,890.00	-
<b>Total Investment in Equity instruments of Other Companies (I)</b>	<b>1,890.00</b>	<b>-</b>
<b>II) Investment in Quoted Debentures (At Amortised Cost)</b>		
10,000 units of 8.8% Tata Capital Financial Services NCDs (Face Value Rs.1000) maturing on 27.09.2023	100.00	100.00
50,000 units of 8.4% Tata Capital Financial Services NCDs (Face Value Rs.1000) maturing on 26.08.2024	500.00	-
<b>Total Investment in Quoted Debentures (II)</b>	<b>600.00</b>	<b>100.00</b>
<b>III) Investment in Long Term Tax Free Bonds (LTTFB) (At Amortised Cost)</b>		
31,229 units of 7.28% LTTFB of NTPC Ltd (FV Rs.1000) maturing on 05.10.2030 :Tenure 15 Years	312.29	312.29
12,835 units of 7.27% LTTFB of PFC Ltd (FV Rs.1000) maturing on 17.10.2030 :Tenure 15 Years	128.35	128.35
57,252 units of 7.09% LTTFB of REC Ltd (FV Rs.1000) maturing on 05.11.2030 :Tenure 15 Years	572.52	572.52
85,150 units of 7.49% LTTFB of IREDA (FV Rs.1000) maturing on 21.01.2031 :Tenure 15 Years	851.50	851.50
1,05,700 units of 7.28% LTTFB of IRFC (FV Rs.1000) maturing on 21.12.2030 :Tenure 15 Years	1,057.00	1,057.00
29,392 units of 7.35% LTTFB of IRFC (FV Rs.1000) maturing on 22.03.2031 :Tenure 15 Years	293.92	293.92



1,65,705 units of 7.35% LTTFB of NHAI (FV Rs.1000) maturing on 11.01.2031 :Tenure 15 Years	1,657.05	1,657.05
46,255 units of 7.39% LTTFB of NHAI (FV Rs.1000) maturing on 09.03.2031 :Tenure 15 Years	462.55	462.55
81,281 units of 7.39% LTTFB of HUDCO (FV Rs.1000) maturing on 08.02.2031 :Tenure 15 Years	812.81	812.81
30,116 units of 7.39% LTTFB of HUDCO (FV Rs.1000) maturing on 15.03.2031 :Tenure 15 Years	301.16	301.16
<b>Total Investment in Long Term Tax Free Bonds (III)</b>	<b>6,449.15</b>	<b>6,449.15</b>

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>IV) Investment in Mutual Funds (At Fair Value Through Profit &amp; Loss)</b>		
2,22,656 (March 31, 2019: 2,22,656) Units of Nippon India Equity Hybrid-Growth (Earlier Name:-Reliance Equity Hybrid-G)	78.87	122.71
8,28,494 (March 31, 2019: 8,28,494) Units of DSP Dynamic Asset Allocation Reg-G	117.21	124.73
7,99,958 (March 31, 2019: 7,99,958) Units of ICICI Pru Balanced Advantage	244.55	282.71
22,41,018 (March 31, 2019: 22,41,018) Units of Motilal Oswal Dynamic Reg-Growth	253.54	274.32
16,191 (March 31, 2019: 16,191) Units of Aditya Birla Sl Balanced 95	92.78	123.12
5,10,850 (March 31, 2019: 5,10,850) Units of HDFC Short Term Debt-Growth	115.66	105.44
2,84,401 (March 31, 2019: 2,84,401) Units of HDFC Equity Savings fund	93.76	104.65
1,47,778 (March 31, 2019: 1,47,778) Units of Aditya Birla SL Corporate Bond-Growth	115.64	105.93
11,77,112 (March 31, 2019: 11,77,112) Units of L&T Short Term Bond-Growth	229.29	210.11
9,28,864 (March 31, 2019: 9,28,864) Units of ICICI Pru Advisor Series-Hybrid-Growth	306.61	317.68
20,00,000 (March 31, 2019: 20,00,000) Units of Nippon India FHF XXXVII - Reg-G (Earlier Name:-RELIANCE FIXED HORIZON FUND)	236.96	215.65
10,00,800 (March 31, 2019: 10,00,800) Units of HDFC FMP - 1181 Days - Apr. 2018 -1- Reg-G (20-Jul-2021)	117.87	108.43
7,63,359 (March 31, 2019: 7,63,359) Units Aditya Birla SL Equity Savings Reg	94.96	101.60
20,00,000 (March 31, 2019: 20,00,000) Units of HDFC FMP - 1119 Days - June 2018 (1) Reg-G (30-Jun-2021)	235.20	215.62
<b>Total Investment in Mutual Funds (IV)</b>	<b>2,332.90</b>	<b>2,412.69</b>
<b>V) Investment in Exchange Traded Funds (At Fair Value Through Profit &amp; Loss)</b>		
1,00,000 units of Investment in Bharat Bond Exchange Traded Fund Maturity Date 15.04.2030	1,033.97	-
<b>Total Investment in Exchange Traded fund (V)</b>	<b>1,033.97</b>	<b>-</b>
<b>Total Other- Non Current Investments (I+II+III+IV+V)</b>	<b>12,306.02</b>	<b>8,961.84</b>
Aggregate amount of quoted investments at market value	11,637.98	9,679.63
Aggregate amount of quoted investments at book value	10,416.02	8,961.84
Aggregate amount of Unquoted investments at book value	1,890.00	-
Aggregate amount of impairment in the value of investment		

\*Consequent to withdrawal of the nominee directors from the Board of Directors of Rajasthan Knowledge Corporation Limited (RKCL) during the year 2016-2017, the company has during the year 2019-2020 reviewed the joint control over RKCL and discontinued its classification as a Joint Venture entity. Its consolidation has also accordingly been discontinued from the year 2019-2020. Further, the company has carried out fair valuation of the investments in RKCL and has made an irrevocable election of presenting such fair value changes as FVTOCI as permitted under Ind AS 109, 'Financial Instruments.' During the year, fair value gain of Rs. 1,830.00 lakhs and deferred tax liability of Rs. 403.47 lakhs have been recognised through the Other Comprehensive Income.

#### Note 7. Other Financial Assets - Non-Current

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At Amortised Cost Considered Good</b>		
Security Deposits	70.45	89.82
Deposit with Bihar Skill Development Mission	10.00	10.00
Fixed Deposits with banks having maturity after 12 months*	8,508.75	13,151.20
<b>Total</b>	<b>8,589.20</b>	<b>13,251.02</b>

\*includes INR 265.95 lakhs (INR 185.57 lakhs as at 31<sup>st</sup> March, 2019) pledged against performance bank guarantee.

#### Note 8. Deferred Tax Asset/(Liability)

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Deferred Tax Liabilities	(543.18)	(96.94)
Deferred Tax Assets	317.58	313.84
<b>Deferred Tax Asset/(Liability) - Net</b>	<b>(225.60)</b>	<b>216.90</b>

#### Note 9. Other Non- Current Assets

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>Unsecured Considered Good unless otherwise stated</u></b>		
Balances with Indirect Tax Authorities	18.45	19.04
Employment Defined Benefit Plan - Gratuity	58.04	27.61
Income Tax Assets - (Net of provisions of Company on standalone basis Rs. 4,541.35 lakhs as at 31 <sup>st</sup> March, 2020; Rs.5,693.58 lakhs as at 31 <sup>st</sup> March, 2019)	374.06	228.88
<b>Total</b>	<b>450.55</b>	<b>275.53</b>

**Note 10. Inventories**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Stock In Trade - At Cost		
<b>Inventory of Books</b>		
- MS-CIT	402.64	378.97
- KLiC	-	88.67
- BS-CIT, Psychology of Success & BS-CFA	169.54	15.18
Inventory of Educational Material	0.04	0.04
Inventory of Contour Markers	0.20	0.20
Inventory of Domestic Water Purifier	-	0.20
Inventory of Stainless Steel Domestic Water Purifier	-	0.10
<b>Total</b>	<b>572.42</b>	<b>483.36</b>
Provision for Slow Moving Inventory	(0.24)	-
<b>Total</b>	<b>572.18</b>	<b>483.36</b>

**INVENTORY AND QUANTITATIVE DETAILS**

Inventory includes set of a Study Materials (Books) and Project Materials. These stocks are valued at Cost or Net Realisable Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company.

**As at 1<sup>st</sup> April, 2019**

Items	Opening Quantity (Nos)	Receipt Quantity (Nos)	Issued Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	532,692	625,000	746,707	410,985
Books- KLiC	104,584	5,000	15,332	94,252
Educational Material	8	-	-	8
Contour Markers	8	-	-	8
Books- BS-CIT, Psychology of Success & BS-CFA	148,354	535,000	669,334	14,020
Domestic Water Purifier	570	-	539	31
Stainless Steel Domestic Water Purifier	-	25	20	5

**As at 31<sup>st</sup> March, 2020**

Items	Opening Quantity (Nos)	Receipt Quantity (Nos)	Issued/Adjusted Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	410,985	720,000	696,618	434,367
Books- KLiC*	94,252	-	94,252	-
Educational Material	8	-	-	8
Contour Markers	8	-	-	8
Books- BS-CIT, Psychology of Success & BS-CFA	14,020	749,340	576,175	187,185
Domestic Water Purifier**	31	-	31	-
Stainless Steel Domestic Water Purifier**	5	-	5	-

\*Out of 94,252 KLiC books issued, 91,833 were distributed as promotional material.

\*\* Adjusted on account of impairment and write off of a subsidiary (refer note 5)

## Note 11. Investments - Current Assets

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Investments carried at Fair Value Through Profit or Loss</b>		
<b>Investment in Liquid Mutual Funds</b>		
8,623.132 (31 <sup>st</sup> March, 2019: 50,537.39) units of Rs. 1,019.82 each of HDFC liquid fund	87.94	515.39
1,96,493.477 (31 <sup>st</sup> March, 2019: 217,290.68) units of Rs. 1,019.82 each of HDFC liquid fund	2,003.88	2,215.97
83,622.388 (31 <sup>st</sup> March, 2019: 34,949.55) units of Rs. 1,019.82 each of HDFC Liquid fund	852.80	356.42
3,067.076 (31 <sup>st</sup> March, 2019: 2,874.67) units of Rs. 1,019.82 each of HDFC Liquid fund	31.28	29.32
<b>Total Investments</b>	<b>2,975.90</b>	<b>3,117.10</b>
Aggregate amount of quoted investments at market value	2,975.90	3,117.10
Aggregate amount of quoted investments at book value	2,975.90	3,117.10
Aggregate amount of Unquoted investments	-	-
Aggregate amount of impairment in the Value of investment	-	-

## Note 12. Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Unsecured Considered Good	4,100.67	2,992.74
Unsecured Considered Doubtful	95.20	-
<b>sub-total</b>	<b>4,195.87</b>	<b>2,992.74</b>
Less: Provision for Expected Credit Loss	(95.20)	-
<b>Total</b>	<b>4,100.67</b>	<b>2,992.74</b>

## Note 13. Cash and Cash Equivalents

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Cash in hand	1.22	1.85
Balances with Banks in Current Account	1,427.92	2,247.01
<b>Total</b>	<b>1,429.14</b>	<b>2,248.86</b>

**Note 14. Bank balance other than cash & cash equivalents**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Earmarked Balances: Unclaimed Dividend Bank Balance	5.57	7.18
Fixed Deposits with Banks with remaining maturity of upto 12 months*	5,848.01	2,252.77
<b>Total</b>	<b>5,853.58</b>	<b>2,259.95</b>

\*includes INR 18.04 lakhs (INR 41.64 lakhs as at 31<sup>st</sup> March, 2019) pledged against performance bank guarantee.

**Note 15. Other Financial Assets (Current Assets)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost, considered good</b>		
Security deposits	31.65	74.33
Receivable from Bharat Sanchar Nigam Limited (BSNL)	100.00	264.66
<b>Interest Accrued on</b>		
Fixed Deposits with Banks	5,031.65	4,027.30
Long Term Tax Free Bonds	239.34	239.40
Non Convertible Debentures(NCDs)	29.56	0.45
<b>Total</b>	<b>5,432.20</b>	<b>4,606.14</b>

**Note 16. Other Current Assets**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>Unsecured, Considered Good</u></b>		
Prepaid expenses	320.74	220.05
Balances with Government Authorities	2.11	4.48
Other Advances	1.57	6.90
<b>Total</b>	<b>324.42</b>	<b>231.43</b>

## Note 17. Equity Share Capital

(Rupees in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>Authorised</b>		
2,00,00,000 Equity shares of Rs.10/- each with voting rights	2,000.00	2,000.00
<b>Issued, Subscribed and fully paid up</b>		
(As at 31 <sup>st</sup> March, 2020: 80,80,195 Equity shares of Rs.10 each)	808.02	
(As at 31 <sup>st</sup> March, 2019: 80,80,195 Equity shares of Rs. 10 each)		808.02
<b>Total</b>	<b>808.02</b>	<b>808.02</b>

### a. Movement in Authorised Share Capital

Particulars	Equity Share Capital	
	Number of shares	(Rupees in Lakhs)
<b>As at 1<sup>st</sup> April, 2018</b>	2,00,00,000	2,000.00
Increase / (decrease) during the year	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	2,00,00,000	2,000.00
Increase / (decrease) during the year	-	-
<b>As at 31<sup>st</sup> March, 2020</b>	2,00,00,000	2,000.00

### b. Movement in Issued, Subscribed and fully paid up Share Capital

Particulars	Equity Share Capital	
	Number of shares	(Rupees in Lakhs)
<b>As at 1<sup>st</sup> April, 2018</b>	80,80,195	808.02
Increase / (decrease) during the year	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	80,80,195	808.02
Increase / (decrease) during the year	-	-
<b>As at 31<sup>st</sup> March, 2020</b>	80,80,195	808.02

### Terms/Rights attached to Equity Shares

“The Company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is entitled for one vote per share held and carry a right to dividend. 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.”

### c. Details of shares held by shareholders holding more than 5% of equity share of the company

Name of the Shareholder	As at 31 <sup>st</sup> March, 2020	
	Number of shares held	% holding
Directorate of Information Technology, General Administration Department Government of Maharashtra	30,00,000	37.13
<b>TOTAL</b>	<b>30,00,000</b>	<b>37.13</b>

Name of the Shareholder	As at 31 <sup>st</sup> March, 2019	
	Number of shares held	% holding
Directorate of Information Technology, General Administration Department	30,00,000	37.13
Government of Maharashtra		
<b>TOTAL</b>	<b>30,00,000</b>	<b>37.13</b>

**Note 18. Other Equity**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>A. General Reserve</u></b>		
Balance as at the beginning	6,900.00	6,400.00
Add: Transfer during the year	500.00	500.00
<b>Balance at the end of the year</b>	<b>7,400.00</b>	<b>6,900.00</b>
<b><u>B. Foreign Currency Translation Reserve</u></b>		
Balance as at the beginning	198.87	17.19
Add: Recognised during the year reflected in OCI	56.14	181.68
Less: Recycled to Statement of Profit & Loss on disposal of a subsidiary (ref note 42)	(198.87)	-
<b>Balance at the end of the year</b>	<b>56.14</b>	<b>198.87</b>
<b><u>C. Equity Instrument through Other Comprehensive Income</u></b>		
Balance as at the beginning	-	-
Adjustments on reclassification of a joint venture as investments in equity instruments measured at FVTOCI (ref note 43)	1,426.53	-
<b>Balance at the end of the year</b>	<b>1,426.53</b>	<b>-</b>
<b><u>D. Retained Earnings</u></b>		
Balance as at the beginning of the year	32,516.68	27,989.32
Add: Profit / (Loss ) for the year	3,598.30	5,273.09
Add: Remeasurement of post-employment benefit obligations- (loss)/ gain	22.20	(7.87)
Less : Adjustments on discontinuation of consolidation of a subsidiary (ref note 5)	92.31	-
Less : Adjustments on reclassification of a joint venture as investments in equity instruments measured at FVTOCI (ref note 43)	3,979.77	-
Less : Adjustments in respect of reserves of joint venture MKCL Arabia Limited (refer note 44)	305.66	-
<b>Amount available for appropriation</b>	<b>31,759.44</b>	<b>33,254.54</b>
Less : Transfer to Reserves	500.00	500.00
Less : Final Dividend for F.Y. 2018-19 (2017-18)	242.41	202.00
Less : Tax on Final Dividend for F.Y. 2018-19 (2017-18)	-	35.86
<b>Balance as at the end of the year</b>	<b>31,017.03</b>	<b>32,516.68</b>



<b>E. Corpus Donation</b>		
Balance as at the beginning of the year	1,860.73	1,860.73
Less : Adjustments on discontinuation of consolidation of a subsidiary (ref note 5)	1860.73	-
<b>Balance at the end of the year</b>	-	<b>1,860.73</b>
<b>Total (A+B+C+D+E)</b>	<b>39,899.70</b>	<b>41,476.28</b>

**Notes:**

- 1. General Reserve:** General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payment, issue of bonus shares etc
- 2. Equity Instrument through Other Comprehensive Income:** This reserve represents the post tax cumulative gains and losses arising on the fair valuation of equity instruments measured through Other Comprehensive Income, net of amounts reclassified to retained earnings when these equity instruments are disposed off.
- 3. Retained Earnings:** This comprise of the accumulated distributable profit.

**Note 19. Other Financial Liabilities (Non-Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost</b>		
Performance Guarantee Money & Retention	-	0.76
Lease Liability*	277.07	-
<b>Total</b>	<b>277.07</b>	<b>0.76</b>

**\*Movement in Lease Liability**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance as at beginning of the year	-	-
Additions during the year	538.35	-
Interest Cost incurred during the year	43.52	-
Payment of Lease Liability	(168.37)	-
Deletions during the year	-	-
<b>Balance as at end of the year</b>	<b>413.50</b>	-

**Break up of Non Current & Current Lease Liability**

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Non Current Lease Liability	277.07	-
Current Lease Liability	136.43	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>413.50</b>	-

**Note 20. Provisions (Non-Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Compensated Absences	402.93	405.32
Provision for Corporate Tax A.Y 2010-11	7.27	7.27
<b>Total</b>	<b>410.20</b>	<b>412.59</b>

**Note 21. Other Non Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Others Payables	8.47	-
<b>Total</b>	<b>8.47</b>	<b>-</b>

**Note 22. Trade Payables**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Total outstanding dues of Micro, Small & Medium Enterprises	245.15	224.48
Total Outstanding dues of creditors other than Micro, Small & Medium Enterprises	931.57	1,387.98
<b>Total</b>	<b>1,176.72</b>	<b>1,612.46</b>

**Disclosures under the Micro, Small & Medium Enterprises Development Act, 2006**

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 to the extent the company has received intimation from the 'suppliers' regarding their status under the Act is as under:

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Principal amount remaining unpaid	245.15	224.48
Interest due thereon remaining unpaid	-	-
Interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises or the purpose of disallowance as a deductible expenditure under section 23.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditor.

**Note 23. Other Financial Liabilities (Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>At amortised cost</b>		
Unclaimed Dividend	5.55	7.18
Security Deposits received from Network Partners/Creditors	1,121.01	1,008.46
Employees Benefits Payable	1,111.88	1,010.31
Other Financial Liabilities & Expenses Payable	1,613.39	1,155.80
Study Material Deposit	237.45	253.55
Lease Liability	136.43	-
Grant From Rajiv Gandhi Science & Technology Commission	-	50.81
<b>Total</b>	<b>4,225.71</b>	<b>3,486.11</b>

**Note 24. Provisions (Current Liabilities)**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Provision for Compensated Absences	76.68	76.28
<b>Total</b>	<b>76.68</b>	<b>76.28</b>

**Note 25. Other Current Liabilities**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Statutory Liabilities	235.05	246.21
<b>Total</b>	<b>235.05</b>	<b>246.21</b>

**Note 26. REVENUE FROM OPERATIONS**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
I. Sale of Products	20.00	15.00
II Sale of Services	15,770.37	16,163.10
<b>Total</b>	<b>15,790.37</b>	<b>16,178.10</b>

**DISAGGREGATION OF REVENUE FROM OPERATIONS**

The table below presents disaggregated revenues from operations for the years ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 respectively. The Company believes that disaggregation of revenue from operations based on segments & geography as below best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

**A. Based on Geography**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
a. Within India	15,789.18	16,177.78
b. Outside India	1.19	0.32
<b>Total</b>	<b>15,790.37</b>	<b>16,178.10</b>

**B. Based on Segments**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>I. Sale of Products</b>	<b>20.00</b>	<b>15.00</b>
<b>II Sale of Services</b>		
<b>Knowledge-Lit Skills Development Program (KLS-DP)</b>		
Revenue from MS-CIT course	9,142.20	9,731.80
Revenue from KLiC and Other courses	602.66	514.05
Revenue from Other Courses (Outside Maharashtra)	77.62	75.83
Registration/Renewal/Processing/Annual/LMS License Fees	253.89	269.01
	<b>10,076.37</b>	<b>10,590.69</b>
<b>Digital University Business Development Program (DU-BDP)</b>		
Digital University- Business Development Program (DU-BDP)	1,158.76	1,096.48
Share in DU Projects (Outside Maharashtra)	69.85	53.87
Online Admissions	49.65	166.45
Recruitment Projects	2.48	29.41
Designing, Development, Maintenance and Support Services	10.66	24.06
Share in Admissions/Recruitment Projects (Outside Maharashtra)	31.58	537.97
	<b>1,322.98</b>	<b>1,908.24</b>
<b>Mission-Mode Skill Development Program (MMS-DP)</b>		
	<b>3,317.28</b>	<b>3,228.14</b>
<b>eGovernance Business Development Program (eGov-BDP)</b>		
Design & Development of Digital MLS	70.77	77.15
eTendering Services & other Maintenance and Support Services	33.81	91.73

<b>eGovernance Business (Outside Maharashtra)</b>		
Income from BLAS Project	17.50	16.56
Income from Vanmitra	110.82	-
Edu- eGovernance	119.40	83.03
Other eGovernance Project	639.95	50.49
	<b>992.25</b>	<b>318.96</b>
<b>Knowledge-Lit Careers Development Program (KLC-DP)</b>		
MKCL Finishing Schools (MFS) Program	49.49	50.99
	<b>49.49</b>	<b>50.99</b>
<b>Educational Products Business Development Program (EP-BDP)</b>		
Income from eSchool	9.06	53.62
	<b>9.06</b>	<b>53.62</b>
<b>Products in New Exponential Technologies Business Development Program (ProNEXT)</b>		
	1.75	-
<b>International Business Development Program (I-BDP)</b>		
	1.19	0.32
<b>MKCL KF Income from Other Projects ( of Local 100% Subsidiary)</b>		
	-	12.14
<b>Total</b>	<b>15,790.37</b>	<b>16,178.10</b>

## Note 27. Other Income

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>Interest Income on:</b>		
i. Fixed Deposits with Banks	1,425.22	1,429.09
ii. Long Term Tax Free Bonds	473.29	473.29
iii. Non convertible Debenture	37.91	0.45
<b>Sub Total</b>	<b>1,936.42</b>	<b>1,902.83</b>
<b>Dividend Income from Investment:</b>		
i. Subsidiaries	-	171.23
ii. Joint Ventures	-	27.00
iii. Equity Instruments of Other Companies	18.00	-
iv. Liquid Mutual Funds	223.81	153.54
<b>Sub Total</b>	<b>241.81</b>	<b>351.77</b>
Net Gain/(Loss) on Foreign Currency Transactions	20.98	12.57
Other Non-Operating Income (Net)	11.30	6.58
Old Balances Written Back	182.21	235.23
Net Gain/ (Loss) on Investments measured at FVTPL	(45.81)	112.39
Revenue Donation	-	0.02
<b>Sub Total</b>	<b>168.68</b>	<b>366.79</b>
<b>Total</b>	<b>2,346.91</b>	<b>2,621.39</b>

**Note 28. OPERATING EXPENSES ON COURSES & PROGRAMS**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>Knowledge-Lit Skills Development Program (KLS-DP)</b>		
Share, Exam/Re-Exam Fees	3,305.92	3,708.79
Advertisement & Sales Promotion	567.97	596.48
Content Development, Incentives and other Course Related Expenses	1,046.37	828.08
Expenses on Other Courses	413.79	385.87
Expenses on Other Courses (outside Maharashtra)	18.70	13.89
Network Partnership Management Program (NP-MP)	524.17	444.86
	<b>5,876.92</b>	<b>5,977.97</b>
<b>Digital University Business Development Program (DU-BDP)</b>		
Digital University	165.83	174.97
Online Admissions	4.38	7.52
Recruitment Projects	6.94	17.32
Consultancy charges	5.41	9.01
	<b>182.56</b>	<b>208.82</b>
<b>Mission-Mode Skill Development Program</b>		
Share expenses and Content Development expenses	403.93	491.90
Other Direct Expenses	67.29	29.30
	<b>471.22</b>	<b>521.21</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
e-Governance Expenses	25.56	30.33
Advertisement exp	0.02	2.17
eGovernance Expenses (Outside Maharashtra)		
BLAS Project Expenses	14.28	16.83
Edu-eGovernance Expenses	12.89	26.30
Vanmitra Project Expenses	8.03	-
	<b>60.78</b>	<b>75.63</b>
<b>Educational Products Business Development Program (EP-BDP)</b>		
Advertisement & Sales Promotion	4.67	64.43
Share expenses	0.44	0.33
Content / Consultancy and other expenses	36.89	7.46
	<b>42.00</b>	<b>72.22</b>
<b>Social Business Development Program ( S-BDP)</b>		
	-	<b>9.08</b>
<b>Knowledge Lit Careers Development Program ( KLC-DP)</b>		
MKCL Finishing Schools (MFS) Program	54.09	58.25
	<b>54.09</b>	<b>58.25</b>

Products in New Exponential Technologies Business Development Program (ProNExT)	5.15	0.18
International Business Development Program (I-BDP)	18.46	33.39
MKCL KF Expenses Other Projects ( of Local 100% Subsidiary )	-	74.34
<b>Total</b>	<b>6,711.18</b>	<b>7,031.09</b>

## Note 29. Changes in Inventories of Finished Goods, Work- in-Progress and Stock -in-Trade

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<u>Inventories at the end of the year:</u>		
of books, Educational materials, and Contour Markers	572.42	483.06
of Domestic Water Purifier and Stainless Steel Domestic Water Purifier	-	0.30
	<b>572.42</b>	<b>483.36</b>
<u>Inventories at the beginning of the year:</u>		
of books, Educational materials, and Contour Markers	483.06	719.07
of Domestic Water Purifier and Stainless Steel Domestic Water Purifier	0.30	4.37
Less - Adjustment of ITC of GST in Opening Stock	-	(0.66)
	<b>483.36</b>	<b>722.78</b>
<b>Change in Inventory</b>	<b>(89.06)</b>	<b>239.42</b>
Less : KLiC books inventory distributed as Promotional Material (included under Advertisement & Sales Promotion under KLS-DP)	86.46	-
Less - Adjustment on account of discontinuation of a subsidiary (ref note 5)	0.30	-
<b>Net (Increase) / Decrease in inventory</b>	<b>(175.82)</b>	<b>239.42</b>

## Note 30. Employee Benefits Expenses

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
(a) Salaries	3,510.47	3,121.29
(b) Contributions to -		
(i) Provident Fund	227.62	194.95
(ii) Gratuity Fund	45.03	54.31
(c) Staff Welfare Expense	70.98	107.27
<b>Total</b>	<b>3,854.10</b>	<b>3,477.82</b>



**Note 31. Finance Cost**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<u>Interest on Financial Liabilities</u>		
Lease Liability	43.52	-
<u>Interest on Others</u>		
Income Tax	6.35	4.74
<b>Total</b>	<b>49.87</b>	<b>4.74</b>

**Note: 32. Depreciation & Amortisation Expenses**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Depreciation on Property, Plant & Equipment	175.24	221.38
Amortisation on Intangible Assets	14.34	13.18
Amortisation on Right of Use Assets	191.47	-
<b>Total</b>	<b>381.05</b>	<b>234.56</b>

**Note 33. Other Expenses- Administrative and Other Expenses**

(Rupees in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Advertisement & Sales Promotion Expenses	11.47	19.46
Education, Promotion, Teaching & Development Expenses	14.37	51.79
Communication Expenses	33.58	49.99
Electricity Expenses	58.20	55.87
Security Charges	21.00	18.79
Rent Rates Taxes and Insurance	29.44	198.54
Maintainance office & Buildings	113.06	95.99
Legal, Professional & Consultancy Charges	29.10	42.87
Travelling and Conveyance	93.92	84.81
Pantry Expenses	15.33	14.89
Website Hosting and Registration Expenses	104.71	67.28
Meeting Expenses	28.97	27.96
Repairs, Maintenance and Others	53.19	46.89
Donations under CSR*	93.06	86.54
Payments to Auditors (**)	22.60	24.41
Provision for Expected Credit Loss on Trade Receivable	95.20	-
Impairment and write off of investment in subsidiary (Refer Note 5)	199.99	28.20
Loss on Disposal of Subsidiary (net) (refer note 42)	130.23	-
Miscellaneous Expenses	28.02	24.41
Bad Debts	61.48	1.34
Business Facilities Center Expenses	-	0.72
<b>Total</b>	<b>1,236.92</b>	<b>940.75</b>

**\*Donation under CSR**

The company was required to spend INR 93.06 lakhs during FY 2019-2020 (INR 86.54 lakhs for FY 2018-2019), the company has spent this CSR amount by giving donation to Prime Minister's National Relief Fund (PMNRF) for FY 2019-2020 & 2018-2019.

**\*\*Payments to Statutory Auditors****(Rupees in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
As Auditors	18.88	19.90
For Tax Audit	2.95	2.95
For Taxation Matters	0.18	0.18
For Other Services	0.59	0.71
Towards Reimbursement of Expenses	-	0.67
<b>Total</b>	<b>22.60</b>	<b>24.41</b>

**Note 34. SEGMENT REPORTING**

Primary Business Segments of the Company are Knowledge Lit Skill Development Program (KLS-DP), Mission Mode Skill Development Program (MMS-DP), Digital University Business Development Program (DU-BDP) based on the management approach as defined in Ind AS 108.

Assets and Liabilities used in Company's business are not identified to any reportable segment as these are used interchangeably between segments.

The management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

**Segment Revenue :-****(Rupees In Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
Knowledge Lit Skill Development Program (KLS-DP)	10,105.43	10,605.88
Mission Mode Skill Development Program (MMS-DP)	3,317.28	3,228.13
Digital University Business Development Program (DU-BDP)	1,322.98	1,908.24
<b>Segment Total</b>	<b>14,745.69</b>	<b>15,742.25</b>
Others	1,044.68	435.85
<b>Revenue from Operations</b>	<b>15,790.37</b>	<b>16,178.10</b>

**Segment Results:-****(Rupees In Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019
Knowledge Lit Skill Development Program (KLS-DP)	1,613.78	1,814.01
Mission Mode Skill Development Program (MMS-DP)	1,406.98	1,098.01
Digital University Business Development Program (DU-BDP)	452.71	881.47
<b>Segment Total</b>	<b>3,473.47</b>	<b>3,793.49</b>
Net unallocated income/(expenditure)	1,394.38	1,939.59
<b>Profit before interest and taxation</b>	<b>4,867.85</b>	<b>5,733.08</b>

Finance Cost	(49.87)	(4.74)
<b>Profit before share of profit/loss from investment in joint ventures &amp; Tax</b>	<b>4,817.98</b>	<b>5,728.34</b>
Share of profit/loss from investment in joint ventures	315.82	1,125.84
Tax Expense	(1535.52)	(1581.09)
<b>Profit after Tax</b>	<b>3,598.28</b>	<b>5,273.09</b>

### Note 35. Income Taxes

#### A. Current Tax

(Rupees In Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Tax Expense recognised in Statement of Profit and Loss</b>		
Current Tax on Profits for the year	1,505.00	1,520.00
Deferred Tax related to Items recognized in Statement of Profit and Loss during the year	32.48	61.09
Tax adjustments for earlier years	(1.96)	-
<b>Total Tax Expense recognised in Statement of Profit and Loss</b>	<b>1,535.52</b>	<b>1,581.09</b>
Consolidated Profit before Tax	4,817.98	5,728.34
Adjustment on consolidation of Joint Venture & Subsidiaries	2,069.44	359.57
Standalone Profit before Tax for the year of Parent Company	6,887.42	6,087.91
Enacted tax rates in India	25.17%	29.12%
<b>Computed Tax Expenses</b>	<b>1,733.43</b>	<b>1,772.80</b>

The Company has decided to opt for the new tax rate prescribed under Section 115BAA of the Income Tax Act, 1961. This provides for the concessional tax rate at 22% plus applicable surcharge and cess (Effective - 25.17% ) from Assessment Year beginning on or after the 1st day of April, 2020 without claiming certain tax exemptions/incentives.

Reconciliation of computed tax expense with total tax expense recognised in Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
<b>Computed Tax Expenses</b>	<b>1,733.43</b>	<b>1,772.80</b>
<b>Add/Less: Net Adjustment of tax impact on account of</b>		
<u>Effect of Exempt Income</u>		
-Interest on long term Tax Free Bonds	(119.12)	(137.82)
-Dividend Income	(60.86)	(52.57)
<u>Effect of non deductible expense</u>		
-Depreciation and Deferred Tax Impact	(11.99)	(17.24)
-Fair Valuation of Investment and its Deferred Tax Effect	95.61	(32.73)
-Gratuity, Leave Encashment, Other Employee Benefits and Deferred Tax impact	41.50	75.11
<b>Effect of different tax rate for different heads of income</b>		
-Dividend from foreign subsidiary & joint venture	(145.95)	(29.84)
Other Items (net)	2.90	3.38

Subtotal	(197.91)	(191.71)
Income Tax Expense recognised in Statement of Profit and Loss	1,535.52	1,581.09

Income tax expense recognised in other comprehensive income (Rupees in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2020	Year ended 31 <sup>st</sup> March, 2019
- Current Tax	-	-
- <u>Deferred Tax on</u> Remeasurements of defined benefit obligation	6.54	(3.24)
Fair value gain on investments in equity shares at FVTOCI	403.47	-
<b>Total income tax expense recognised in other comprehensive income</b>	<b>410.01</b>	<b>(3.24)</b>

B. Deferred Tax Asset/(Liability) - Net

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Deferred Tax Liability on:</b>		
Property, Plant & Equipments	77.00	88.91
Fair Valuation of Debt Mutual Funds	48.10	-
Fair Valuation of Equity Instrument	403.47	-
Provision for Employee Benefits - Gratuity	14.61	8.03
<b>Gross Deferred Tax Liability</b>	<b>543.18</b>	<b>96.94</b>

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Deferred Tax Asset on:</b>		
Provision for Employee Benefits - Leave Encashment	120.71	139.12
Provision for Employee Benefits - Organisational Performance Linked Award	151.01	174.72
Provision for Expected Credit Loss	23.96	-
Fair Valuation of Hybrid Mutual Funds	14.36	-
Right of Use Asset	7.54	-
<b>Gross Deferred Tax Asset</b>	<b>317.58</b>	<b>313.84</b>
<b>Deferred Tax Asset/(Liability) - Net</b>	<b>(225.60)</b>	<b>216.90</b>

Movement in Deferred Tax Liability

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance at the beginning of the year	96.94	108.74
Debited/(Credited):		
<u>to Profit and loss on account of</u>		
- Fixed Assets	(11.92)	(19.83)
- Defined Benefit Plan - Gratuity	0.05	11.27
- Fair Valuation of Debt Mutual Funds	48.10	-
<b>Sub Total</b>	<b>36.23</b>	<b>(8.56)</b>

to other comprehensive income		
- Defined Benefit Plan - Gratuity	6.54	(3.24)
- Fair Valuation of Equity Instrument	403.47	-
<b>Sub Total</b>	<b>410.01</b>	<b>(3.24)</b>
<b>Balance at the end of the year</b>	<b>543.18</b>	<b>96.94</b>

**Movement in Deferred Tax Asset**

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance at the beginning of the year	313.84	383.48
(Debited)/Credited :		
to Profit and loss on account of		
- Provision for employee benefits - Leave encashment	(18.41)	(33.12)
- Provision for employee benefits - Organisational Performance Linked Award	(23.71)	(32.93)
- Defined Benefit Plan - Gratuity	-	(3.59)
- Provision for Expected Credit Loss	23.96	-
- Fair Valuation of Hybrid Mutual Funds	14.36	-
- Right of Use Assets	7.54	-
<b>Sub Total</b>	<b>3.74</b>	<b>(69.64)</b>
<b>Balance at the end of the year</b>	<b>317.58</b>	<b>313.84</b>

**Note 36. Earnings Per Share**

Particulars	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
Net Profit attributable to equity shareholders - A (In Rupees Lakhs)	3,598.28	5,273.09
Weighted average number of equity shares outstanding - B	8,080,195	8,080,195
<b>Earnings Per Share Basic &amp; Diluted (Rs.) - (A/B)</b>	<b>44.53</b>	<b>65.26</b>

## Note 37. Financial Instruments by Category

(Rupees In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020			As at 31 <sup>st</sup> March, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
-Investments in						
a. Long Term Tax Free Bonds and Non Convertible Debentures	-	-	7,049.15	-	-	6,549.15
b. Unquoted equity shares of RKCL	-	1,890.00	-	-	-	-
c. Mutual Funds & Exchange Traded Funds	6,342.77	-	-	5,529.89	-	-
-Trade Receivables	-	-	4,100.67	-	-	2,992.74
-Cash and Cash Equivalents	-	-	1,429.14	-	-	2,248.86
-Other Bank Balances	-	-	5,853.58	-	-	2,259.95
-Other Financial Assets	-	-	14,021.40	-	-	17,857.17
<b>Total Financial Assets</b>	<b>6,342.77</b>	<b>1,890.00</b>	<b>32,453.94</b>		-	<b>31,907.87</b>

Particulars	As at 31 <sup>st</sup> March, 2020			As at 31 <sup>st</sup> March, 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Liabilities</b>						
-Trade Payable	-	-	1,176.72	-	-	1,612.47
-Other Financial Liabilities	-	-	4,502.78	-	-	3,486.87
<b>Total Financial Liabilities</b>	-	-	<b>5,679.50</b>	-	-	<b>5,099.34</b>

### Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 : Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of Investments in Mutual Funds are based on the price quotation at the reporting date obtained from the asset management companies.

The Company has carried out fair valuation of the investments in equity shares of Rajasthan Knowledge Corporation Limited based on discounted cash flow model as these equity shares are unquoted.

### Financial Assets and Liabilities measured at Fair Value

(Rupees In Lakhs)

As at 31 <sup>st</sup> March, 2020	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FVTPL</b>				
Investments in Mutual Funds & Exchange Traded Funds	6,342.77	-	-	6,342.77
<b>Financial Assets at FVTOCI</b>				
Investments in RKCL	-	-	1,890.00	1,890.00
<b>Total</b>	<b>6,342.77</b>	-	<b>1,890.00</b>	<b>8,232.77</b>

As at 31 <sup>st</sup> March, 2019	Level 1	Level 2	Level 3	Total
<b>Financial Assets at FVTPL</b>				
Investments in Mutual Funds	5,529.89	-	-	5,529.89
<b>Total</b>	<b>5,529.89</b>	<b>-</b>	<b>-</b>	<b>5,529.89</b>

### Note 38. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk, market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

The Company's risk management is done in close coordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimising the exposure to volatile financial markets. Long term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of Financial Assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

#### A. Credit Risk

Credit Risk arises from the possibilities that counter party may not be able to settle their obligations as agreed. The company is exposed to credit risk from investment in Financial Instruments, Trade Receivables, Bank Deposits and Other Financial Assets.

I. Investments at Amortised Cost : They are strategic Investments in the normal course of business of the Company.

II. Bank Balance : The Company maintains its Cash and Cash Equivalent and Bank Deposits with reputed nationalised banks. Hence, there is no significant credit risk on such deposits.

III. Investments at Fair Value: The company is having insignificant exposure to credit risk w.r.t investment in mutual funds, Exchange Traded Funds as these are instruments with high credit ratings. Also, there is no significant risk exposure to investment in unquoted equity instrument of Rajasthan Knowledge Corporation Limited (RKCL) as it is strategic investment in the normal course of business of the company.

IV. Trade Receivable : Company's (Parent Company on Standalone Basis) exposure to receivables which are with Central / State Government Depts, local authority, agencies, boards and other bodies set up by Central/ State Government are continuously monitored and followed up for payments, on an on-going basis with the result that the Companies exposure to bad debts are not significant. Also, company has provided expected credit loss provision of Rs.95.20 lakh during the current financial year (Rs. NIL during 2018-2019) on trade receivable based on ageing, past history and track records of receivables.

The provision matrix at the end of the year is as follows:

Ageing of receivable	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
0 to 30 Days	NIL	NIL
31 Days to 1 Year	1%	NIL
1 to 2 Years	12%	NIL
2 to 3 Years	20%	NIL
3 to 4 Years	50%	NIL
4 to 5 Years	80%	NIL
Above 5 Years	100%	NIL



(Rupees In Lakhs)

Age of receivable	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
0 to 30 Days	1,876.93	1,376.68
31 Days to 1 Year	2,006.19	1,269.04
1 to 2 Years	190.05	209.34
2 to 3 Years	84.08	30.45
3 to 4 Years	5.34	1.33
4 to 5 Years	2.22	22.93
Above 5 Years	31.06	20.30
<b>Total</b>	<b>4,195.87</b>	<b>2,930.07</b>

Movement in provision for Expected Credit Loss (ECL)

(Rupees in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Balance at the beginning of the year	-	-
Provided during the year	95.20	-
Reversed during the year	-	-
<b>Balance at the end of the year</b>	<b>95.20</b>	<b>-</b>

**B. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Due to the nature of the business, the Company has and maintains flexibility in funding by maintaining availability of cash flows under committed facilities. The Company had not borrowed from banks, financial institutions etc at any point of time. The working capital of the Company is positive as at each reporting date.

**Maturities of Financial Liabilities :**

The table below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities / maturities for all non- derivative financial liabilities.

As on 31<sup>st</sup> March, 2020

(Rupees In Lakhs)

Particulars	Less than one year	More than one year	Total
<b>Non-Derivative Financial Liabilities:</b>			
Trade Payables	1,176.72	-	1,176.72
Unclaimed Dividend	5.55	-	5.55
Security Deposits received from Network Partners/Creditors	1,121.01	-	1,121.01
Employees Benefits Payable	1,111.88	-	1,111.88
Other Financial Liabilities & Expenses Payable	1,749.82	277.07	2,026.89
Study Material Deposit	237.45	-	237.45
<b>Total</b>	<b>5,402.43</b>	<b>277.07</b>	<b>5,679.50</b>

As on 31<sup>st</sup> March, 2019

(Rupees In Lakhs)

Particulars	Less than one year	More than one year	Total
<b>Non-Derivative Financial Liabilities:</b>			
Trade Payables	1,612.47	-	1,612.47
Unclaimed Dividend	7.18	-	7.18
Security Deposits received from Network Partners/Creditors	1,008.46	-	1,008.46
Employees Benefits Payable	1,010.31	-	1,010.31
Other Financial Liabilities & Expenses Payable	1,207.37	-	1,207.37
Study Material Deposit	253.55	-	253.55
<b>Total</b>	<b>5,099.34</b>	<b>-</b>	<b>5,099.34</b>

### C. Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US dollar. Foreign Exchange risk arises from recognised assets and liabilities denominated in the currency that is not the Company's functional currency.

The effect of foreign currency available in US dollars and the amount receivable as on 31<sup>st</sup> March, 2020 in USD - post tax is as under:-

#### Sensitivity :

The sensitivity of profit or loss to changes in exchange rate arises mainly from foreign currency denominated financial instruments :

Currency	As at 31 <sup>st</sup> March, 2020	
	Movement in Rate	Impact on PAT
USD	1 INR.	INR 0.75
USD	(-1 ) INR	INR (0.75)

### D. Interest Rate Risk

As on the Balance Sheet date, the Company does not have any bank borrowings and therefore is not exposed to Interest rate risk.

### E. Price Risk:

The Company invests part of its surplus funds in mutual funds, non convertible debentures & bonds which are linked to markets. The Company's exposure to price risk arises from mutual funds investments held by the Company and classified in the Balance Sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### Sensitivity

If prices of quoted mutual funds had been 5% higher / (lower), the profit after tax (PAT) for the year ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 would increase / (decrease) by Rs.125.98 lakhs and Rs.85.51 lakhs respectively.

## Note 39. Capital Management

### (a) - Risk Management

The Company's capital management objectives are :

- to ensure the Company's ability to continue as going concern
- to provide an adequate returns to share holders.
- maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policy or processes for managing capital during the years ended 31<sup>st</sup> March, 2020 & 31<sup>st</sup> March, 2019.

The capital structure of company on consolidated is follows :

Particulars	(Rupees in Lakhs )	
	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Capital Structure</b>		
Total Equity	40,707.72	42,284.28
<b>Total Equity</b>	<b>40,707.72</b>	<b>42,284.28</b>

As there is no debt, the company do not have any risk associated with repayment of debt & interest thereon.

### (b) - Dividends

	(Rupees in Lakhs )	
	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>(i) Equity shares</b>		
Final dividend paid for the year ended 31 <sup>st</sup> March, 2019: Rs. 3.00 (31 <sup>st</sup> March, 2018 of Rs. 2.50) per fully paid share	242.41	202.00
		-
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend for the year ended 31 <sup>st</sup> March, 2020 of Re.1/- (31 <sup>st</sup> March, 2019 - Rs. 3.00) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	80.8	242.41

**Note 40. Contingent liabilities and Commitments (to the extent not provided for)**

(Rupees in Lakhs )

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>a. Contingent liabilities</b>		
- Performance Bank Guarantee for services provided/to be provided	283.99	227.21
- Receivable from Bharat Sanchar Nigam Limited*	-	264.66
- Service Tax**	141.48	-
<b>b. Commitments</b>	-	-
<b>Total</b>	<b>425.47</b>	<b>491.87</b>

**\*Receivable from Bharat Sanchar Nigam Limited**

Performance bank guarantees aggregating to Rs.590 lakhs submitted for IPTV franchisee agreement to M/s BSNL by the Company were encashed by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company had challenged the action of M/s. BSNL by invoking appropriate legal recourse.

Hon'ble Arbitrator has passed award dated 9th October, 2017 with respect to the arbitration proceeding of encashment of performance bank guarantee by Bharat Sanchar Nigam Limited aggregating to Rs.590 lakhs. As per the award dated 9th October, 2017, M/s. BSNL is allowed keep Rs.325.34 lakhs out of their total claims and to return Rs.264.66 lakhs (Rs.590 lakhs - Rs.325.34 lakhs) to the Company, within three months from the date of award.

BSNL filed petition to the Hon'ble High Court of Delhi on 8th January, 2018 against award passed by Hon'ble Arbitrator on 9th October, 2017.

Hence, Rs.264.66 lakhs shown as receivable from M/s. BSNL in note no 15 Other Financial Assets (Current) were contingent in nature as at 31<sup>st</sup> March, 2019. The impugned award sustained partially in the Hon'ble High Court. On 4<sup>th</sup> April, 2019, The Hon'ble High Court ordered BSNL to pay Rs.164.66 lakhs to the Company and to refer back the matter for the balance amount of Rs.100 lakhs (Rs.264.66 lakhs minus Rs.164.66 lakhs) to the Hon'ble Arbitrator for deciding afresh. Accordingly, BSNL has paid Rs.164.66 lakhs to the company on 9<sup>th</sup> May, 2019.

With respect to balance amount of Rs.100 lakhs, on 20<sup>th</sup> June, 2019, the Hon'ble Arbitrator has passed re-examined award stating that no modification is required in award passed dated 9<sup>th</sup> October, 2017. BSNL again filed petition to the Hon'ble High Court of Delhi on 19th July, 2019 against original award and re-examined award passed by Hon'ble Arbitrator on 9<sup>th</sup> October, 2017 & 20<sup>th</sup> June, 2019 respectively.

The Hon'ble High Court of Delhi has dismissed the petition filed by M/s BSNL on 25<sup>th</sup> Septmber, 2019. Hence, Rs.100 lakhs stands confirmed as receivable & are not contingent in nature as at 31<sup>st</sup> March, 2020. Accordingly, Rs.100 lakhs is shown as receivable from M/s. BSNL under Note 15 Other Financial Assets (Current).

**\*\* Service Tax**

Service Tax demand to Odisha Knowledge Corporation Limited (OKCL) of Rs.37.33 lakhs & Rs.245.62 lakhs aggregating to Rs.282.95 lakhs on income from OS-CIT & ICT respectively for the year 2012-2013 to 2015-16 has not been acknowledged as debt and OKCL has preferred appeal before Commissioner - Appeals, GST & Central Excise. The matter is still pending before concerned authority. Accordingly, the Group's share i.e. 50% of total service tax demand of Rs.141.48/- lakhs is contingent in nature.

## Note 41. Related Party Transactions

All related party transactions entered into during FY 2019-2020 were on an arm's length basis and in the ordinary course of business.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis.

The details of the transactions with related parties are provided in the accompanying Financial Statements.

### A. Related parties and their relationship (as defined under Ind AS-24 Related Party Disclosures)

#### 1. ENTERPRISES WHERE CONTROL EXISTS:

##### A) Domestic Subsidiary

MKCL Knowledge Foundation

##### B) Foreign Subsidiary

MKCL International FZE (dissolved on February, 26, 2019)

#### 2. JOINT VENTURES

##### A) Domestic Joint Ventures

Haryana Knowledge Corporation Limited

Odisha Knowledge Corporation Limited

Rajasthan Knowledge Corporation Limited (refer note 6)

##### B) Foreign Joint Ventures

MKCL Arabia Limited

#### 3. BOARD OF DIRECTORS

Dr. Anil Kakodkar, Chairman & Independent Director

Mr. Vivek Sawant, Managing Director (up to December 31, 2019)

Ms. Veena Kamath, Managing Director (w.e.f. January, 01, 2020)

Dr. Deepak Phatak, Independent Director

Dr. Charudatta Mayee, Independent Director

Dr. Rajaram Deshmukh, Independent Director

Dr. Anant Sardeshmukh, Independent Director

Mr. Girish Sohani, Independent Director

Prof. E. Vayunandan, Non-Executive Director

Prof. Suhas Pednekar, Non-Executive Director

Mr. S. V. R. Srinivas, Non-Executive Director

#### 4. KEY MANAGEMENT PERSONNEL

##### A) MANAGING DIRECTOR

Mr. Vivek Sawant (up to December 31, 2019)

Ms. Veena Kamath (w.e.f. January 01, 2020)

##### B) COMPANY SECRETARY

Ms. Komal Chaulal

##### C) CHIEF FINANCIAL OFFICER

Mr. Manoj Narvekar

B. Transactions and balances with Related parties (as defined under Ind AS 24)

(Rupees in Lakhs )

Sr. No	Particulars	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2019
1	<b>Investments</b> <b>A. in Subsidiaries</b> - MKCL Knowledge Foundation (Held at Nominal Value as at March 31, 2020) - MKCL International FZE (dissolved on February 26, 2019)  <b>B. in Joint Ventures</b> - Odisha Knowledge Corporation Limited - Haryana Knowledge Corporation Limited - MKCL Arabia Limited - Rajasthan Knowledge Corporation Limited (refer note 6)	0.01 -  683.79 638.62 549.46 -	- -  666.75 431.03 1,154.07 4,039.77
2	<b>Income</b> <b>A. Sale of Goods/Services</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited <b>B. Dividend Received</b> - MKCL International FZE - Haryana Knowledge Corporation Limited - Rajasthan Knowledge Corporation Limited	6.93 962.56 35.88 - - -	- 850.57 55.51 171.23 6.00 21.00
3	<b>Purchase of Goods/Services</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	0.08 11.14 17.80	- 30.75 29.53
4	<b>Expenses Reimbursed</b> - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	0.43 13.56	3.64 1.71
5	<b>Expenses Recovered</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	8.73 4.37 0.77	- 1.75 2.69
6	<b>Advance Received</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited	0.88 563.64	- -
7	<b>Payment/Adjustment towards Advance Received</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited	0.90 559.66	- -
8	<b>Remuneration, Compensation &amp; reimbursements to Directors and Key Managerial Personnel</b> -Amount paid towards remuneration & reimbursement to Independent Directors - <u>Compensation to Key Managerial Personnel</u> a. Short Term Employee Benefits b. Post Employment Benefits	8.69  163.46 9.80	7.77  167.62 10.36
9	<b>Outstanding as on date - Receivable/(Payable)</b> - MKCL Knowledge Foundation - Haryana Knowledge Corporation Limited - Odisha Knowledge Corporation Limited	2.64 891.30 4.77	- 789.73 30.00

## Note 42. Disposal of Subsidiary (MKCL International FZE)

MKCL International FZE was a wholly-owned subsidiary of Maharashtra Knowledge Corporation Ltd.

The Company was dissolved on 26<sup>th</sup> February, 2019. The proceeds of liquidation were received during the FY 2019-2020.

### (a) Consideration Received

(Rupees in Lakhs )

Particulars	Amount Rs.
Consideration received as dividend on liquidation	1,490.14
Consideration towards Investment in MKCL International FZE	18.81
<b>Total Consideration received during the year</b>	<b>1,508.95</b>

### (b) Analysis of Assets and liabilities over which control was lost:

(Rupees in Lakhs )

Particulars	Amount Rs.
<b>Current Assets</b>	
Cash and cash equivalents	1,805.98
Trade receivables	96.83
Other current Assets	6.47
<b>Total Assets</b>	<b>1,909.27</b>
<b>Current Liabilities</b>	
Trade Payables	71.22
<b>Net Assets</b>	<b>1,838.05</b>

### (c) Gain/(Loss) on disposal of subsidiary:

(Rupees In Lakhs)

Particulars	Amount Rs.
Net Assets	1,838.05
Total Consideration received	1,508.95
Cumulative exchange gain in respect of net assets of the subsidiary reclassified from equity to profit and loss on disposal of subsidiary	198.87
<b>Net Loss on Disposal</b>	<b>130.23</b>

The net loss on disposal of subsidiary is included in expenses for the year ended 31<sup>st</sup> March 2020 (Refer Note.33)



**Note 43. Reclassification of Investment in Rajasthan Knowledge Corporation Ltd.**

During the year, MKCL has discontinued the classification of Rajasthan Knowledge Corporation Ltd (RKCL) as a joint venture entity. From the FY 2019-2020, the said investment has been considered as an investment in Equity Instruments of Other companies. Consequently, the consolidation of the said investment stands discontinued from FY 2019-2020 onwards.

Further, the company has carried out the fair valuation of the investment in RKCL and has made an irrevocable election of presenting such fair value changes as FVTOCI as permitted under Ind AS 109, 'Financial Instruments.' The said investment has been valued at Rs. 1,890 Lakhs. The gain/ (loss) on such reclassification has been considered as stated below:

(Rupees in Lakhs )	
Particulars	Amount Rs.
Carrying value of Investment in Rajasthan Knowledge Corporation Ltd as on 31 <sup>st</sup> March, 2019	4,039.77
Less: Adjustments of share of profits recognised till 31 <sup>st</sup> March, 2019	3,979.77
<b>Cost of Investment</b>	<b>60.00</b>
Fair value as on 31 <sup>st</sup> March, 2020	1,890.00
Gain on reclassification to FVTOCI	1,830.00
Deferred tax liability on fair valuation	(403.47)
<b>Net Gain on reclassification of investment as FVTOCI</b>	<b>1,426.53</b>

**Note 44. Note on MKCL Arabia Limited**

The company has carried out the consolidation of its Joint Venture MKCL Arabia Ltd., Saudi Arabia (JV) for the year 2019-2020 on the basis of unaudited financial statements. However, sufficient information in respect of certain related parties of MKCL Arabia Ltd (JV), [International Co For Education & Advanced Training (Associate), MKCL Arabia Co Cairo (Associate) and First Star Co (Associate)] and reduction of Rs. 305.65 lakhs in the company's share of reserves during the year 2019-2020 is not available. The necessary adjustments including the requirement for preparation of the consolidated financial statements of the JV would be examined by the company after getting the audited financial statements and other sufficient audited information.

Particulars	SAR In Lakhs
Retained earning as at 31 <sup>st</sup> March, 2018	76.99
Add: Profit 2018-19	33.65
Less: Tax 2018-19	4.05
<b>Retained earning as at 31<sup>st</sup> March, 2019 as per audited financials of MKCL Arabia</b>	<b>106.58</b>
Less: Dividend for 2017-18	49.29
Add: Profit for 19-20	15.86
Desired amount of Retained earning as at 31 <sup>st</sup> March, 2020	73.15
Retained earning as at 31 <sup>st</sup> March, 2020 as per unaudited financials of MKCL Arabia	42.49
<b>Movement in reserves for which sufficient information is not available</b>	<b>30.66</b>

Particulars	Rupees In Lakhs
Equivalent Amount using exchange rate of Rs.19.9408 per SAR	611.32
Share of MKCL in the above stated amount	305.66

\*SAR - Saudi Arabian Riyal

## Notes to the consolidated financial statements

### Note 45. Interest in Other Entities

#### (a) Subsidiaries

The Group's subsidiary as at 31<sup>st</sup> March, 2020 is set out below. Unless otherwise stated, it has share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Place of business/ country of incorporation	Ownership held by the Group		Ownership held by the Non-controlling interests	
		31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
		%	%	%	%
MKCL Knowledge Foundation (refer note 5)	India	100	100	-	-
MKCL International FZE (refer note 42)	Sharjah - United Arab Emirates		100	-	-

#### (b) Non-controlling Interests (NCI)

The Parent Company has 100% equity holding in its subsidiaries. Hence, there is no non- controlling interest for disclosures.

#### (c) Interests in Joint Ventures

Set out below are the Joint Ventures of the Company as at 31<sup>st</sup> March, 2020. The entities listed below has share capital consisting solely of equity shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of the ownership interest is the same as the proportion of the voting rights held.

(Rupees in Lakhs )

Name of the Entity	Place of business/ country of incorpora- tion	% of owner- ship interest	Relationship	Accounting Method	Carrying amount	
					As at 31 <sup>st</sup> - March, 2020	As at 31 <sup>st</sup> March, 2019
Haryana Knowledge Corporation Limited	Haryana - India	30%	Joint Venture	Equity Method	638.62	431.03
Odisha Knowledge Corporation Limited	Odisha - India	50%	Joint Venture	Equity Method	683.79	666.75
Rajasthan Knowledge Corporation Limited (refer note 43)	Rajasthan - India	30%	Joint Venture	Equity Method	-	4,039.77
MKCL Arabia Ltd.	Riyadh - Saudi Arabia	50%	Joint Venture	Equity Method	549.46	1,154.07
Total Equity accounted investments					1,871.87	6,291.62

(d) Commitments and Contingent Liabilities in respect of Joint Ventures

(Rupees in Lakhs )

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Contingent liabilities - Joint Ventures/ Associates	282.95	-
Share of contingent liabilities incurred jointly with other investors of the as- sociate	141.48	-
<b>Total commitments and contingent liabilities</b>	<b>141.48</b>	<b>-</b>

(e) Summarised financial information for Joint Ventures

The tables below provide summarised financial information for the Joint Ventures that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant Joint Ventures and not MKCL's share of those amounts.

**MKCL Arabia Ltd.**

**Summarised Balance Sheet - on the basis of unaudited financial statements**

(Rupees in Lakhs )

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>Current Assets</u></b>		
Cash and cash equivalents	124.78	36.42
Other Assets	1,950.22	3,210.96
<b>Current Assets- Total</b>	<b>2,075.00</b>	<b>3,247.38</b>
<b>Non Current Assets- Total</b>	<b>30.87</b>	<b>45.36</b>
<b>Total Assets</b>	<b>2,105.87</b>	<b>3,292.74</b>
<b><u>Non-current Liabilities</u></b>		
Financial Liabilities (excluding trade payable)	831.14	821.85
Other liabilities	-	-
<b>Non-current Liabilities- Total</b>	<b>831.14</b>	<b>821.85</b>
<b><u>Current Liabilities</u></b>		
Financial Liabilities (including trade payable)	128.39	151.75
Other liabilities	-	-
<b>Current Liabilities- Total</b>	<b>128.39</b>	<b>151.75</b>
<b>Total Liabilities</b>	<b>959.53</b>	<b>973.60</b>
<b>Net Assets</b>	<b>1,146.34</b>	<b>2,319.14</b>

Reconciliation to the carrying amounts

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Net Assets at the beginning of the year	2,134.55	1,425.52
Gain/(Loss) Due to change in Foreign Exchange Rates	112.29	96.03
Profit for the year before Tax	316.19	621.10

Tax for the year	(128.27)	
Movement in reserves for which sufficient information is not available (ref note 44)	(611.32)	-
Dividends and Other Changes in Equity	(898.12)	(8.10)
<b>Net Assets at the end of the year</b>	<b>925.32</b>	<b>2,134.55</b>
Group's Share in %	50.00%	50.00%
Group's Share in INR on Retained earnings	462.66	1,067.27
Equity component held by Parent in INR	86.80	86.80
Unrealised profit on stock	-	-
<b>Carrying Amount</b>	<b>549.46</b>	<b>1,154.07</b>

#### Summarised Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Revenue	2,919.64	4,265.63
Other income		
<b>Total Income</b>	<b>2,919.64</b>	<b>4,265.63</b>
Other Direct/ Indirect Expenses	2,603.45	3,644.53
Depreciation and amortisation		
Finance cost		
Income Tax expenses		
<b>Profit for the year</b>	<b>316.19</b>	<b>621.10</b>
Other Comprehensive Income	-	
<b>Total Comprehensive Income</b>	<b>316.19</b>	<b>621.10</b>
Dividends received	449.06	-

#### Haryana Knowledge Corporation Limited

#### Summarised Balance Sheet

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>Current Assets</u></b>		
Cash and cash equivalents	241.40	747.30
Other Assets	3,050.66	1,807.14
<b>Current Assets- Total</b>	<b>3,292.06</b>	<b>2,554.44</b>
<b>Non Current Assets- Total</b>	<b>42.03</b>	<b>52.19</b>
<b>Total Assets</b>	<b>3,334.09</b>	<b>2,606.63</b>
<b><u>Non-current Liabilities</u></b>		
Financial Liabilities (excluding trade payable)	-	-
Other liabilities	15.21	12.99
<b>Non-current Liabilities- Total</b>	<b>15.21</b>	<b>12.99</b>
<b><u>Current Liabilities</u></b>		
Financial Liabilities (including trade payable)	1,016.14	930.19
Other liabilities	172.29	224.83

Current Liabilities- Total	1,188.43	1,155.02
Total Liabilities	1,203.64	1,168.01
Net Assets	2,130.45	1,438.62

Reconciliation to the carrying amounts

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Net Assets at the beginning of the year	1,438.62	792.03
Profit for the year (Post Tax and Net of Dividend paid)	691.83	646.59
Other Comprehensive Income	-	-
Dividends paid	-	-
<b>Net Assets at the end of the year</b>	<b>2,130.45</b>	<b>1,438.62</b>
Group's Share in %	30.00%	30.00%
Group's Share in INR	639.14	431.59
Equity component in Pref. share reversal on redemption	-	-
Unrealised profit on stock	(0.51)	(0.56)
<b>Carrying Amount</b>	<b>638.62</b>	<b>431.03</b>

Summarised Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Revenue	2,881.29	2,527.92
Other income	45.11	36.65
<b>Total Income</b>	<b>2,926.40</b>	<b>2,564.57</b>
Other Direct/ Indirect Expenses	1,974.87	1,659.91
Depreciation and amortisation	4.23	5.23
Finance cost	-	-
Income Tax expenses	255.47	252.85
<b>Profit for the year</b>	<b>691.83</b>	<b>646.58</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>691.83</b>	<b>646.58</b>
Dividends received	-	6.00

Odisha Knowledge Corporation Limited

Summarised Balance Sheet

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Current Assets</b>		
Cash and cash equivalents	390.25	508.76
Other Assets	430.40	969.60
<b>Current Assets- Total</b>	<b>820.65</b>	<b>1,478.36</b>
<b>Non Current Assets- Total</b>	<b>744.90</b>	<b>559.75</b>
<b>Total Assets</b>	<b>1,565.56</b>	<b>2,038.10</b>

<b>Non-current Liabilities</b>		
Financial Liabilities (excluding trade payable)	59.24	65.94
Other liabilities	-	-
<b>Non-current Liabilities- Total</b>	<b>59.24</b>	<b>65.94</b>
<b>Current Liabilities</b>		
Financial Liabilities (including trade payable)	52.53	86.27
Other liabilities	79.00	539.11
<b>Current Liabilities- Total</b>	<b>131.53</b>	<b>625.38</b>
<b>Total Liabilities</b>	<b>190.77</b>	<b>691.32</b>
<b>Net Assets</b>	<b>1,374.79</b>	<b>1,346.78</b>

#### Reconciliation to the carrying amounts

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Net Assets at the beginning of the year	1,346.78	1,098.90
Profit for the year (Post Tax and Net of Dividend paid)	22.47	248.29
Other Comprehensive Income	5.54	(0.41)
Dividends paid		
<b>Net Assets at the end of the year</b>	<b>1,374.79</b>	<b>1,346.78</b>
Group's Share in %	50.00%	50.00%
Group's Share in INR	687.39	673.39
Equity component in Pref. share reversal on redemption		
Unrealised profit on stock	(3.60)	(6.64)
<b>Carrying Amount</b>	<b>683.79</b>	<b>666.75</b>

#### Summarised Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Revenue	504.06	1,042.87
Other income	63.50	54.19
Total Income	567.56	1,097.06
Other Direct/ Indirect Expenses	506.14	666.52
Depreciation and amortisation	28.61	72.63
Finance cost		
Income Tax expenses	10.34	109.62
<b>Profit for the year</b>	<b>22.47</b>	<b>248.29</b>
Other Comprehensive Income	5.54	(0.41)
<b>Total Comprehensive Income</b>	<b>28.01</b>	<b>247.88</b>
Dividends received	-	6.00

Rajasthan Knowledge Corporation Limited (ref note 43)  
Summarised Balance Sheet

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b><u>Current Assets</u></b>		
Cash and cash equivalents		13,881.77
Other Assets		963.13
<b>Current Assets- Total</b>	-	<b>14,844.90</b>
<b>Non Current Assets- Total</b>		<b>415.91</b>
<b>Total Assets</b>	-	<b>15,260.81</b>
<b><u>Non-current Liabilities</u></b>		
Financial Liabilities (excluding trade payable)		
Other liabilities		29.76
<b>Non-current Liabilities- Total</b>	-	<b>29.76</b>
<b><u>Current Liabilities</u></b>		
Financial Liabilities (including trade payable)		1,648.40
Other liabilities		116.75
<b>Current Liabilities- Total</b>	-	<b>1,765.15</b>
<b>Total Liabilities</b>	-	<b>1,794.91</b>
<b>Net Assets</b>	-	<b>13,465.90</b>

Reconciliation to the carrying amounts

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Net Assets at the beginning of the year		11,959.98
Profit for the year (Post Tax and Net of Dividend paid)		1,590.51
Other Comprehensive Income		(0.20)
Dividends paid		(84.39)
<b>Total Comprehensive Income</b>	-	<b>13,465.90</b>
Group's Share in %		30.00%
Group's Share in INR		4,039.77
Equity component in Pref. share reversal on redemption		
Unrealised profit on stock	-	-
<b>Carrying Amount</b>	-	<b>4,039.77</b>



## Summarised Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
Revenue		6,806.41
Other income		1,046.13
<b>Total Income</b>	-	<b>7,852.54</b>
Other Direct/ Indirect Expenses		5,532.05
Depreciation and amortisation		70.35
Finance cost		
Income Tax expenses		659.63
<b>Profit for the year</b>	-	<b>1,590.51</b>
Other Comprehensive Income	-	(0.20)
<b>Total Comprehensive Income</b>	-	<b>1,590.30</b>
Dividends received	-	21.00

## Note 46. Additional Information required by Schedule III

(Rupees in Lakhs)

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 a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated other Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
<b>Maharashtra Knowledge Corporation Limited</b>								
31 <sup>st</sup> March, 2020	95.91%	39,042.65	148.73%	5,351.90	96.08%	1,445.96	133.21%	6,797.86
31 <sup>st</sup> March, 2019	76.83%	32,487.18	85.47%	4,506.83	-4.54%	(7.88)	82.60%	4,498.95
<b>Subsidiary (Group's Share)</b>								
<b>MKCL Knowledge Foundation (ref note 5)</b>								
31 <sup>st</sup> March, 2020	-	-	-	-	-	-	-	-
31 <sup>st</sup> March, 2019	5.09%	2,153.03	0.80%	42.35	-	-	0.78%	42.35
<b>MKCL International FZE (refer note 42)</b>								

31 <sup>st</sup> March, 2020	-	-	-	-	-	-	-	-
31 <sup>st</sup> March, 2019	4.35%	1,838.05	-6.01%	(317.16)	104.54%	181.68	-2.49%	(135.47)
<b>Joint Ventures (Investment as per Equity Method)</b>								
<b>Odisha Knowledge Corporation Limited</b>								
31 <sup>st</sup> March, 2020	1.53%	623.79	0.40%	14.27	0.18%	2.77	0.33%	17.04
31 <sup>st</sup> March, 2019	1.43%	606.75	2.38%	125.31	-	-	2.30%	125.31
<b>Haryana Knowledge Corporation Limited</b>								
31 <sup>st</sup> March, 2020	1.42%	578.62	5.77%	207.59	-	-	4.07%	207.59
31 <sup>st</sup> March, 2019	0.88%	371.03	3.68%	194.25	-	-	3.57%	194.25
<b>Rajasthan Knowledge Corporation Limited (ref note 43)</b>								
31 <sup>st</sup> March, 2020	-	-	-	-	-	-	-	-
31 <sup>st</sup> March, 2019	9.41%	3,979.77	8.57%	451.78	-	-	8.29%	451.78
<b>MKCL Arabia</b>								
31 <sup>st</sup> March, 2020	1.14%	462.66	2.61%	93.96	3.73%	56.18	2.94%	150.14
31 <sup>st</sup> March, 2019	2.52%	1,067.27	6.72%	354.51	-	-	6.51%	354.51
<b>Adjustment on consolidation of Joint Venture &amp; Subsidiaries</b>								
31 <sup>st</sup> March, 2020			-57.51%	(2,069.44)	-	-	-40.55%	(2,069.44)
31 <sup>st</sup> March, 2019	-0.52%	(218.81)	-1.61%	(84.78)	-	-	-1.56%	(84.79)
<b>Total</b>								
<b>31<sup>st</sup> March, 2020</b>	<b>100.00%</b>	<b>40,707.72</b>	<b>100.00%</b>	<b>3,598.28</b>	<b>100.00%</b>	<b>1,504.91</b>	<b>100.00%</b>	<b>5,103.19</b>
<b>31<sup>st</sup> March, 2019</b>	<b>100.00%</b>	<b>42,284.27</b>	<b>100.00%</b>	<b>5,273.09</b>	<b>100.00%</b>	<b>173.80</b>	<b>100.00%</b>	<b>5,446.89</b>

## **Note 47. Reclassification**

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to the requirements of Revised Schedule III Format of Balance Sheet and Statement of Profit and Loss prescribed by the Companies Act, 2013 and as per the requirements of IND AS.

The Consolidated financial statements were approved for issue by the Board of Directors on August 20, 2020.

As per our Report attached

**For and on behalf of the Board  
Maharashtra Knowledge Corporation Limited**

**For G.D. Apte & Co.**  
Chartered Accountants  
Firm Registration No.: 100 515W

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Veena Kamath**  
Managing Director  
DIN : 06454315

**Umesh S Abhyankar**  
Partner  
Membership No.: 113 053

**Manoj Narvekar**  
Chief Financial Officer  
Membership No. FCA 048 254

**Komal Chaubal**  
Chief Executive Officer &  
Company Secretary  
Membership No. FCS 5186

Place: Pune, INDIA  
Date: August 20, 2020

Place: Pune, INDIA  
Date: August 20, 2020

**Registered Office:**

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**Branch Office:**

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