

CARE RATINGS (AFRICA) PRIVATE LIMITED

Annual Report and Audited Financial Statements

For the year ended March 31, 2020

CARE RATINGS (AFRICA) PRIVATE LIMITED
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		Date of Appointment	Date of Resignation
Directors	Bilal Ibrahim SASSA	12-Dec-14	-
	Rajesh Ramchandra MOKASHI	16-Feb-15	20-Dec-19
	Saurav Chatterjee	30-Mar-16	-
	Mehul Harshadrai Pandya	03-Oct-16	-
Secretary	International Proximity Management Services Limited Ebene Esplanade 24, Bank Street, Cybercity Ebene, Mauritius		
Registered Office	5th Floor, MTML Square 63, Cybercity, Ebene		
Auditors	Aejaz Nazir Associates & Co 18, Dr. Auguste Rouget Street Port-Louis, Mauritius		
Banker	SBI (Mauritius) Ltd SBI Tower Mindspace 45, Bhumi Park Ebene, Mauritius Absa Bank (Mauritius) Limited Absa House, Cybercity Ebene, Mauritius		

The Directors present their report and the Audited financial statements of CARE Ratings (Africa) Private Limited (the "Company") for the year ended March 31, 2020.

Principal Activities

The principal activity of the Company is to operate as a credit rating agency and is licensed by the Financial Services Commission to provide credit ratings and related services to companies in Mauritius.

In February 2019, CRAF has received the approval of the Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya under the Capital Markets Act and the Regulations and Guidelines issued thereunder.

Review of Operations

During the year, CRAF has assigned ratings and reviewed the ratings assigned to esteemed Corporates of Mauritius, a brief of which is given below.

Client Name	Instrument	Rating
The Mauritius Commercial Bank Ltd.	Issuer Rating	CARE MAU AAA(IS); Stable
CIEL Limited	Bond Bank Facilities	CARE MAU AA; Negative/ CARE MAU A1+
CIM Finance Ltd	Bond Bank Facilities	CARE MAU AA; Stable/ CARE MAU A1+
CIM Financial Services Ltd	Bond	CARE MAU AA; Stable
Emtel Limited	Bond	CARE MAU AA-; Stable
Bank One Limited	Issuer Rating	CARE MAU A+ (Is); Stable
Tropical Paradise Company Limited	Bond	CARE MAU A+; Stable
Leal & Co. Ltd.	Bank Facilities	CARE MAU A1 + [A One plus]
ENL Limited	Bond	CARE MAU A; under Credit watch
C-Care (Mauritius) Ltd	Bank Facilities	CARE MAU A; Stable/ CARE MAU A1
Aquarelle International Limited	Bond	CARE MAU A; Stable
Attitude Hospitality Ltd	Bond	CARE MAU A; Stable
Alteo Limited	Bond	CARE MAU A; Stable
MaxCity Property Fund Limited (MPFL)	Bond	CARE MAU A- (SO); Stable
Commercial Investment Property Fund Ltd	Bond	CARE MAU A- (SO); Stable
CM Diversified Credit Limited	Bond	CARE MAU A- (SO); Stable/ CARE MAU A2+ (SO)
Omnicanne Holdings (La Baraque) Thermal Energy Limited	Bond	CARE MAU A-; Stable
Lavastone Ltd.	Bond	CARE MAU A-; Stable
City and Beach Hotels (Mauritius) Limited	Bond	CARE MAU A; Stable
CIEL Finance Limited	Bond	CARE MAU A+ Stable
MUA Ltd	Bond	CARE MAU AA-; Stable
CM Structured Finance (2) Ltd	Bond	CARE MAU A- (SO); Stable/ CARE MAU A2+ (SO)
CM Structured Products (2) Ltd	Bond	CARE MAU A- (SO); Stable/ CARE MAU A2+ (SO)
Compagnie des Villages de Vacances de l'Isle de France Limitée [COVIFRA]	Bond	CARE MAU A+; Stable
GVL (Mauritius) Limited	Bank Facilities	CARE MAU BBB+; Stable

During last 3 years, due to regular presentation to the Regulators, Issuers and Investors (Pension Funds, Insurance Companies, Banks and Asset Management companies), the concept of Credit rating has gained popularity in the Mauritius market among the Issuers & Investors. Banks, pension funds and other Financial Institution are now seeking Credit rating of Bonds and bank facilities to determine the pricing of the Issue.

During the financial year under review (FY20), the Company has assigned ratings to 28 corporates of Mauritius including renowned Corporates like The Mauritius Commercial Bank Ltd., Bank One, CIEL, CIM, Leal, Omnicane, Alteo, MUA and ENL. In FY20, CRAF has assigned credit ratings to bank facilities and bond issue aggregating to around Mur 40.0 billion (Mur 21.0 billion in FY19). There has been an increase in awareness about the concept of Credit Rating among Banks and Corporates and clear understanding of the benefits from such Ratings.

Results and dividend

Total income grew by around 69% in FY20 [Mur 19.7 million in FY20 vis-a-vis Mur 11.7 million in FY19] on account of an increase in the total volume of debt rated with contributions coming from both new assignments and surveillance exercises. CRAF reported a Profit before Tax (PBT) of [Mur 10.1 million in FY20 vis-a-vis Mur 5.8 million in FY19]. In FY19-20, the company has recovered its entire revenue deficit incurred in initial phase of operation and has posted positive revenue reserve. The results for the year ended March 31, 2020 are shown on page 19.

The Directors did not recommend any payment of dividend for the period under review.

Shareholders

The company's shareholders are CARE Ratings Limited (78.01%), African Development Bank (9.99%) and MCB Equity Fund (6.00%) and SBM (NFC) Holdings Limited (6.00%). The mix of experienced shareholders and parentage of CARE Ratings Limited, with its more than 25 years of established track record in a vast market like India, will enable CRAF to have stronger brand recognition in the African continent.

Statement of directors' responsibilities in respect of the financial statements

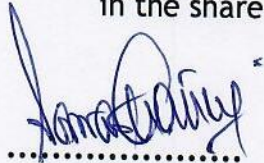
The company's directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at March 31, 2020, statement of comprehensive income, statement of changes in net assets attributable to holders of participating shares, and statement of cash flows for the period then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the Mauritius Companies Act 2001.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the company's ability to continue as going concern and have no reason to believe that the business will not be going concern in the period ahead.

Directors' interests

- (a) As at March 31, 2020, the company had a service agreement with only one of its Director. Remuneration paid for the period under review amounts to Mur 4,239,900.
- (b) None of the directors have any interests either beneficial or non-beneficial, in the share capital of the company.



.....
Saurav Chatterjee

Date: 18.5.2020



.....
Bilal Ibrahim SASSA

The Board ensures that the Company applies the principles of the National Code of Corporate Governance for Mauritius (2016) (the "Code") and which is effective as from reporting year ended 30 June 2018. The Company takes into consideration the Code applicable for holders of a "Credit Rating Agency" licence.

Principle 1: Governance Structure

CARE Ratings (Africa) Private Limited, the "Company" is a private company with limited liability incorporated on 12 December 2014. The Company holds a Credit Rating Agency Licence under the Financial Services Act 2007 and is regulated by the Financial Services Commission ("FSC"). The constitution of the Company is in line with the Mauritius Companies Act 2001. The Company provides credit ratings and related services to companies in Mauritius and has received the approval of the Capital Markets Authority of Kenya on 12 February 2019 as a Credit Rating Agency in Kenya under the Capital Markets Act and the Regulations and Guidelines issued thereunder. The secretary of the Company is International Proximity Management Services Limited. The services provided by International Proximity Management Services Limited to the Company are as per an engagement letter dated 10 July 2015 and the responsibilities of the secretary of the Company are also spelled out in the board charter of the Company.

Effective Board

The Company is managed by its board of directors (the "Board") comprising of three members. The Board is chaired by the chairperson. Each director is appointed with the understanding of the amount of time, care that he/she will need to devote to the Board and the industry knowledge required.

Role of the Board

The Board plays a central supporting and supervisory role in the Company's corporate governance structure, provides leadership and guidance to the Company's activities, and oversees the execution of its business strategies. Specific matters reserved for the Board's consideration and decision are:

- Setting of appropriate policies to manage risks in pursuit of the Company's strategic objectives;
- Ensuring the integrity of the Company's accounting and financial reporting system and compliance with the relevant laws and standards, and that appropriate internal control systems are in place, including systems for risk management, as well as financial and operational control;
- Monitoring and controlling the operations and financial performance of the Company;
- Ensuring a transparent Board nomination and election process;
- Where required, appointment of key senior executives and overseeing succession planning;
- Ensuring timely and accurate disclosure to and communications with stakeholders; and
- Ensuring the adequacy of resources, and qualifications and experience of the Company's accounting and financial reporting function.

Role and function of the Chairperson

- Provides leadership and governance to the Board so as to create the conditions for overall Board's and individual director's effectiveness, and ensures that all key and appropriate issues are discussed by the Board in a timely manner;
- Ensures that the Board is properly briefed on issues arising at board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfil its duties, such as reports on the Company's performance, the issues, challenges and opportunities facing the Company, and matters reserved for it to make decision;
- Promotes and creates an environment that allows constructive debates and challenges, both inside and outside the boardroom;
- Establishes good corporate governance practices and procedures and promotes the highest standards of integrity, probity and corporate governance throughout the Company and particularly at board level; and
- Ensures that there is effective communication with shareholders, and that each director develops and maintains an understanding of the stakeholders' views.

Code of Ethics

The directors of the Company maintain the highest standards of integrity to approach and solve problems ethically. The code of conduct of the Company is aligned with the 'Code of Conduct Fundamentals for credit rating agencies' (the 'IOSCO Code') revised in May 2008 issued by the International Organization of Securities Commissions (IOSCO). The code of conduct is published on the website of the Company and be found at <http://www.careratingsafrica.com/about-us.php>

Job description or Position Statement

The directors exercise their duties to act in good faith and in the best interest of the Company in line with the Mauritius Companies Act 2001 and other applicable laws and regulations. The Company currently has executive directors and employees.

Organisation Chart

The Company's organisation chart is attached as Annexure 1 to this report.

Profile of the Directors

Bilal Sassa

Bilal Sassa holds a B.Com in Economics from the University of Natal, Pietermaritzburg, South Africa. He also holds a stockbroking licence from the Financial Services Commission. Mr. Sassa joined Cim Stockbrokers as an analyst and then became General Manager of this operation in 2005. He was appointed Managing Director of International Management Mauritius Limited (IMM) in June 2008. In September 2009, he took over the role of Chief Sales & Marketing Officer of the Global Business Companies which he occupied until April 2011. Mr. Sassa was appointed Managing Director of Cim Global Management in May 2011. Mr. Sassa

has been a Director of the Stock Exchange of Mauritius and the Vice Chairman of the Central Depository & Settlement Co. Ltd.

Mehul Pandya

Mehul Pandya is the Executive Director of CARE Ratings. He is a CFA Charterholder from CFA Institute, USA. He holds a Bachelor's degree in Instrumentation and Control Engineering from Gujarat University and a Master of Business Administration degree from Bhavnagar University. He has also obtained a Diploma in Financial Management from Narsee Monjee Institute of Management Studies. He has more than 21 years of experience in credit risk and financial sectors. He has been associated with CARE Ratings since 2000. He is currently the National Business Co-Head and also looks after new initiatives of CARE Ratings. He was earlier associated with Gujarat Industrial Investment Corporation Ltd. He is on the Board of Directors with CARE Risk Solutions Pvt. Ltd., CARE Advisory Research and Training Ltd. and CARE Ratings Nepal Ltd.

Saurav Chatterjee

Saurav Chatterjee is a Director and the Chief Executive Officer of the Company. A credit professional with over 15 years of experience in the credit rating industry, he has been associated with CARE for the major part of his career with a stint in corporate banking operations of Standard Chartered Bank. In addition to being the sector head for Power and Mining & Metals sector in CARE, he has been instrumental in rating Corporates, Banks and various FIs. He has also been the member of the Internal Rating Committee of CARE for quite some time.

Apart from his various functional roles and responsibilities, Mr. Chatterjee has been a trainer & mentor for young professionals not only within the industry but also for professional students across various professional institutes like ICAI and B- Schools, etc. He has also imparted training to the delegates from Credit Rating agencies of Bangladesh. Mr. Chatterjee is an Honours graduate in Commerce from St. Xaviers College, Kolkata, MBA (Finance) from ICFAI Business School, Hyderabad India and also a Chartered Financial Analyst (CFA Institute, India).

Principle 2: The Structure of The Board And its Committees

Board Composition

The Board is a unitary board and is composed of directors coming from different sectors. Every director has drawn from his/her professional background and expertise in positively contributing to the Board's activities.

The Board considers that its current size and composition are appropriate for the type of activity in which the Company is engaged and for the effective discharge of the Board's responsibilities.

Due to the nature of the activities of the Company, a sub-committee (Audit Committee, Risk and Corporate Governance Committee) has been set up. The Board collectively considers the measures in respect of the Code of Corporate Governance. The Board assumes responsibility for leading and controlling the organisation, meeting all legal and regulatory requirements.

The Board currently comprises of one non-executive director (Mehul Pandya), one executive director (Saurav Chatterjee) and one non-executive, independent director (Bilal Sassa) who exercise independence of mind and judgement. The Board has appropriate balance of skills,

experience, independence and knowledge of the Company and the business it operates, which enables it to perform its respective duties and discharge its responsibilities effectively. The Board has also appointed International Proximity Management Services Limited as its secretary.

The Board is represented by two resident directors in Mauritius, one of whom is the independent director and one non-resident director. The Chairperson of the Board is Mehul Pandya. The Company holds at least one annual board meeting each year. The last annual board meeting was held on 6 May 2019 in Mauritius and was attended by all the directors of the Company. There were three written resolutions of the directors which were passed during the financial year ended 31 March 2020 and which were signed by all the directors of the Company.

The directors of the Company had passed a resolution on 30th of April 2019 to adopt (i) a board charter; and (ii) an audit, risk and corporate governance charter. The board has approved that Mehul Pandya be appointed as chairperson of the Board and that the audit, risk and corporate governance committee shall be chaired by Bilal Sassa and with Mehul Pandya as member.

The Company Secretary

International Proximity Management Services Limited has been appointed as the secretary in accordance with its constitution.

The role and responsibilities of the secretary are as follows:

- Provide guidance to the Board as to its duties, responsibilities and powers;
- Inform the Board of all relevant legislations pertaining to meetings of directors and shareholders, reporting at any meetings, filing of any documents required and failure to comply with such legislation;
- Ensure proper recording of minutes and resolutions including proper maintenance of the statutory registers;
- Certify in the annual financial statements that all returns as required under the Mauritius Companies Act 2001 have been filed with the Registrar; and
- Filing of the financial statements and interim accounts, if applicable, with the FSC.

Principle 3: Director Appointment Procedures

Appointment

The directors of the Company are appointed in line with its Constitution and Shareholders' Agreement dated 24 June 2016. As per section 6.3 of the Shareholders' Agreement dated 24 June 2016, the directors shall have power at any time and from time to time to appoint any person to be a director to fill a casual vacancy. The Board members of the Company possess relevant qualification and experience, and sufficient knowledge of the financial sector in general and the global business in particular. Any proposals for appointment of directors

shall be submitted to the shareholders of the Company and any appointments shall be made by an approval majority of shareholders (by value). Such approval may be obtained by way of a shareholders' resolution. Any such proposal shall be accompanied by a report of the board of directors explaining the grounds on which the board of directors has assessed the competence, experience and merits of each candidate. To such end, the balance of skills of any potential appointee shall be evaluated, as well as the conditions that candidates should display to vacancies arising. The Board must also assess the time dedication deemed necessary to suitably perform their duties in view of the needs that the Company's governing bodies may have at any given time.

The following factors are considered when appointing a director:

- Skills, knowledge and expertise of the proposed director;
- Amount of time the proposed director is able to devote to the Board; and
- Qualifications and experience of the proposed director.

Since the Company holds a Credit Rating Agency Licence, the prior approval of the FSC is required before the onboarding of any proposed director. A due diligence exercise is carried out by International Proximity Management Services Limited to determine the suitability of the proposed director based on his/her qualifications and experience and whether he or she meets the fit and proper test.

Re-election

Any director so appointed shall hold office only until the next following annual meeting and shall then be eligible for re-election. The appointment, resignation and re-election of the directors are considered at the annual meeting of the shareholders. The current directors will submit themselves to re-election by the shareholders at the Company's forthcoming annual meeting.

Continuous Professional Development

The directors are of sufficient calibre and have the necessary expertise. The Board is apprised of all the developments relating to the credit rating sector.

Planning for Succession

Upon any change in directorship, the Board assumes the responsibilities for succession planning as well as for the appointment of new directors. All directors, not limited to newly appointed directors, are provided with day to day operational updates pertaining to the Company by the Chief Executive Officer of the Company, i.e., Mr Saurav Chatterjee.

Considering the nature of business, the Board is satisfied that the processes for the appointment, election, induction and re-election of directors are adequate and that there is no need to set up a Nomination Committee.

Principle 4: Directors Duties, Remuneration and Performance

Duties

All the directors on the Board are fully apprised of their fiduciary duties as required under the Mauritius Companies Act 2001 and other applicable laws and regulations and they use

care, skill and diligence while exercising the same. The Board oversees the way the Company operates and ensures that sound policies already agreed upon are followed.

Allocation of time

Each director is appointed with due consideration to the amount of time and care that he/she can devote to the Board.

Conflict of Interest

The directors must immediately report to the Board any conflict of interest or potential conflict of interest and shall provide all relevant information. A potential conflict of interest exists if the organisation intends to enter into a transaction with a related party, and the organisation shall develop a policy on how to ensure that the rights of shareholders are protected during such transactions. All transactions in which there are conflicts of interest with Board members shall be agreed on terms that are customary for arm's-length transactions in the organisation's business. Decisions to enter into transactions in which there are conflicts of interest with Board members require the approval of the Board.

Supply of Information on a timely manner

Notices, agenda and board papers are sent to the directors within a reasonable time frame prior to a particular meeting.

Remuneration

Saurav Chatterjee, who is the Chief Executive Officer of the Company, is also the executive director and an employee of the Company. He is entitled to a remuneration and bonuses associated with organizational performance.

Currently, the independent director on the Board is entitled to a remuneration. No other remuneration has been paid to the non-executive directors in form of share options or bonuses or bonuses associated with organisational performance. The other directors are not entitled to director fees.

Principle 5: Risk Governance and Internal Control

Risk Governance

The Audit, Risk and Corporate Governance Committee is responsible for the governance of risk, the Company's internal control systems and for reviewing its effectiveness. The Board is responsible for an ongoing process for identifying, evaluating and managing the various risks faced by the Company. Further, risks and uncertainties are managed at the level of the board of directors of the Company.

Considering the size and nature of its business activity, the Company does not have a whistle blowing policy in place. Instead, all the Company's affairs are addressed to the Board.

The Company is committed to continuously reviewing and monitoring its policies and procedures to align them with global best practices. The code of conduct of the Company is aligned with the 'Code of Conduct Fundamentals for credit rating agencies' (the 'IOSCO Code') revised in May 2008 issued by the International Organization of Securities Commissions

(IOSCO). The Board is ultimately responsible for the Company's system of internal control as well as implementation, maintenance and monitoring of the internal control in place.

The Board has developed and implemented appropriate framework and effective process for the sound management of risk. The Company has appointed a Principal Officer and an Alternate Principal Officer. There are no significant areas which are not covered by the system of internal control. During the year under review, there were no risks or deficiencies in the Company's internal control systems.

The Board has appointed a MLRO (Money Laundering Reporting Officer) pursuant to Regulation 6 (1) of the FIAML (Financial Intelligence and Anti-Money Laundering) Regulations 2003 to assess the risk relating to money laundering and financing of terrorism and to formulate control policy that covers issues of timing, degree of control, areas to be controlled, responsibilities and follow-up actions. These are covered in the Anti-Money Laundering policy which was adopted by the Company. The Company has availed for its directors and officers an insurance policy which is renewed on an annual basis.

The financial and going concern risk of the Company have been disclosed in notes 6 and 7 respectively of the financial statements.

Principle 6: Reporting with Integrity

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS") and the Mauritius Companies Act 2001.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Principle 7: Audit

The external auditor of the Company is Aejaaz Nazir Associates & Co since 2015. Aejaaz Nazir Associates & Co has built in processes to observe the highest standards of business and professional ethics. They are responsible for reporting on whether the financial statements are fairly presented in accordance with the International Financial Reporting Standards and the Companies Act 2001.

Aejaaz Nazir Associates & Co was re-appointed as the statutory auditor for the financial year ended 31 March 2020 by way of a set of shareholders' resolutions in lieu of holding a shareholder's meeting on 31 May 2019.

Discussions are held by members of the board with the external auditor as appropriate.

The audit fee is disclosed in the financial statements. No non-audit services were provided by Aejaaz Nazir Associates & Co during the year ended 31 March 2020.

Due to the size of operations of the Company, no internal audit function has been set up.

Principle 8: Relations with Shareholders and other key Stakeholders

The shareholders of the Company are CARE Ratings Limited, African Development Bank, MCB Equity Fund Ltd and SBM (NFC) Holdings Limited.

The Company has a website which can be found at the following URL:
<http://www.careratingsafrica.com/index.php>

The shareholders have the opportunity to vote at the annual meeting of the Company. A set of written resolutions of shareholder is circulated in lieu of holding an annual meeting. The last set of the written resolutions of shareholders were circulated and approved by the shareholder on 31 May 2019 whereby the financial statements for the year ended 31 March 2019 were adopted. The shareholder also reconfirmed the appointment of the external auditor of the Company for the financial year 2020.

Chairperson of the Board

Date: 18.5.2020



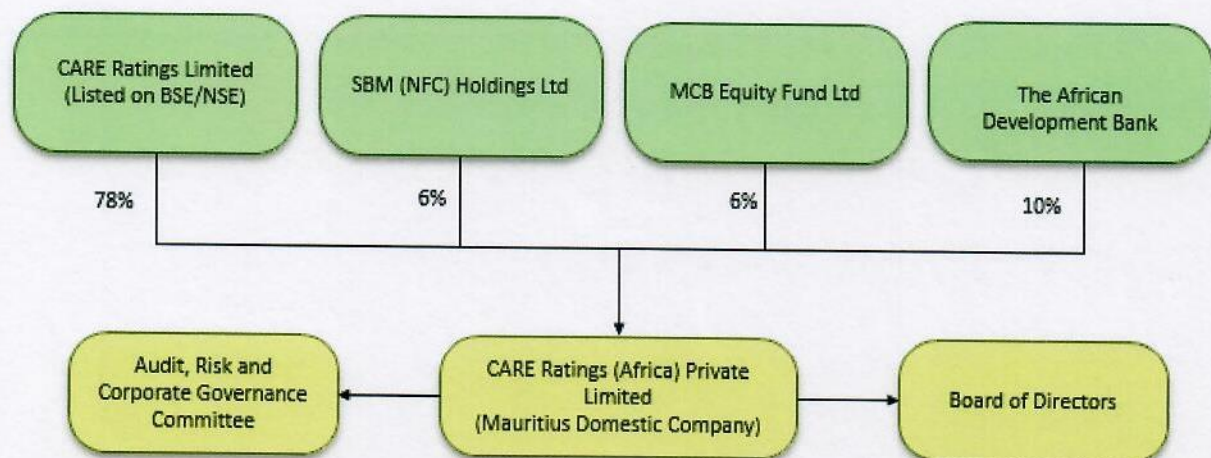
Director

Date: 18.5.2020

Annexure 1: Organisation chart

CARE Ratings (Africa) Private Limited

Organisation Chart



We, the undersigned being directors of CARE Ratings (Africa) Private Limited, the "Company", confirm that, to the best of our knowledge, the Company has complied with the Code of Corporate Governance.

.....
Chairman of the Board

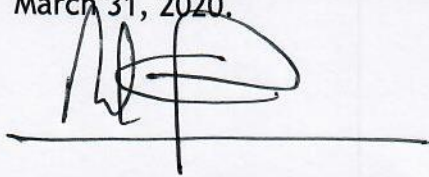

.....
Director

Date: 18.5.2020
.....

**CERTIFICATE FROM THE COMPANY SECRETARY
UNDER SECTION 166(d) OF THE COMPANIES ACT 21**

16

We certify that, to the best of our knowledge and belief, we have filed with the Registrar of Companies all such returns as are required of **CARE Ratings (Africa) Private Limited** under the Mauritius Companies Act 2001 for the financial year ended March 31, 2020.



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International Proximity Management Services Limited
Secretary

Date: 18.5.2020

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CARE RATINGS (AFRICA) PRIVATE LIMITED**



Opinion

We have audited the financial statements of CARE Ratings (Africa) Private Limited (the "Company"), which comprise the statement of financial position as at March 31, 2020, the statement of total comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements on pages 19 to 34 give a true and fair view of the financial position of the Company at March 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CARE RATINGS (AFRICA) PRIVATE LIMITED**



detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements


Mauritius Companies Act 2001


- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report. Our responsibility is to report on the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and whether the disclosure is consistent with the requirement of the Code.

In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.


Ajaz Nazir Associates & Co
Chartered Certified Accountants
Port - Louis, Mauritius


Ajaz Nazir FCCA MIPA
Licensed by FRC

Date: 18.5.2020

Statement of Comprehensive Income for the year ended March 31, 2020

	Notes	2020 Rs.	2019 Rs.
Revenue	10	19,708,707	11,667,714
Expenses			
Salaries		6,023,442	4,214,613
Rent		60,500	290,400
Utilities & office expenses		158,399	66,652
Marketing and promotion		1,013,740	476,000
Regulatory and other fees		189,674	110,925
Audit fees		60,000	60,000
Secreterial fees		53,722	51,500
Travelling		253,989	273,983
Business development - Mauritius		340,551	314,346
Business development - Kenya		598,563	-
Communication expenses		15,848	20,361
Insurance		90,697	70,737
Depreciation	11	225,442	42,589
Amortisation of right-of-use asset	12	737,573	-
Legal & professional fees		180,555	65,525
Bank charges		18,734	3,764
Royalty fees		605,809	350,035
Total expenses		10,627,235	6,411,430
Net profit from operations		9,081,472	5,256,284
Interest income		352,349	132,569
Finance charges	12	(247,951)	-
Exchange gain		936,465	402,426
Net income for the period		10,122,335	5,791,279
Income tax	13	(1,335,454)	-
Total comprehensive income for the year		8,786,881	5,791,279
Basic and diluted earnings par share (Rs.)	14	21.97	14.48

The notes on pages 23 to 34 form part of these accounts.
Independent Auditor's report on pages 17 and 18.

CARE RATINGS (AFRICA) PRIVATE LIMITED
Statement of Financial Position as at March 31, 2020

20

ASSETS	Notes	2020 Rs.	2019 Rs.
Non current assets			
Property, plant & equipment	11	1,215,055	1,897
Rights-of-use asset	12	4,179,578	-
Total non-current assets		5,394,633	1,897
Current assets			
<i>Financial assets</i>			
Trade receivables	15	2,811,750	-
Other receivables	15	437,135	226,917
Cash resources	16	21,177,270	14,020,667
Total current assets		24,426,155	14,247,584
Total assets		29,820,788	14,249,481
EQUITY AND LIABILITIES			
Equity			
Stated capital	17	13,996,178	13,996,178
Revenue reserve/(deficit)		8,496,431	(290,450)
Total equity		22,492,609	13,705,728
Non-current liabilities			
Borrowings	11	3,469,560	-
Current liabilities			
<i>Financial liabilities</i>			
Trade payables	18	139,092	17,250
Other payables	18	1,534,532	526,503
Current tax liability	13	1,335,454	-
Borrowings	12	849,541	-
Total current liabilities		3,858,619	543,753
Total equity and liabilities		29,820,788	14,249,481



These accounts have been approved by the board of directors on

Names of Signatories

1. Saurav Chatterjee

2. Bilal Ibrahim SASSA

Signatures

 18.5.2020
 18.5.2020

The notes on pages 23 to 34 form part of these accounts.
Independent Auditor's report on pages 17 and 18.

CARE RATINGS (AFRICA) PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2020

21

	Stated Capital Rs.	Revenue (Deficit)/Reserve Rs.	Shareholders' Equity Rs.
Balance at April 01, 2018	13,996,178	(6,081,729)	7,914,449
Total comprehensive income for the year	-	5,791,279	5,791,279
	-----	-----	-----
Balance at March 31, 2019	13,996,178	(290,450)	13,705,728
Total comprehensive income for the year	-	8,786,881	8,786,881
	-----	-----	-----
Balance at March 31, 2020	13,996,178	8,496,431	22,492,609
	=====	=====	=====

The notes on pages 23 to 34 form part of these accounts.
Independent Auditor's report on pages 17 and 18.

CARE RATINGS (AFRICA) PRIVATE LIMITED
Statement of Cash Flows for the year ended March 31, 2020

22

	Notes	2020 Rs.	2019 Rs.
Operating activities			
Profit for the year		10,122,335	5,791,279
Adjust for movements in working capital			
Depreciation		225,442	42,589
Amortisation of right-to-use asset		737,573	-
Trade and other receivables		(3,021,968)	1,971,451
Trade and other payables		1,129,871	(1,025,468)
Non cash adjustment under IFRS 16		(598,049)	-
Exchange gain on foreign exchange		(936,465)	(402,426)
Net cash flow from operating activities		7,658,738	6,377,425
Investing activities			
Purchase of assets		(1,438,600)	-
Net movement during year		6,220,138	6,377,425
Balance at start of year		14,020,667	7,240,816
Exchange gain		936,465	402,426
Balance at end of year	16	21,177,270	14,020,667

The notes on pages 23 to 34 form part of these accounts.
Independent Auditor's report on pages 17 and 18.

1. GENERAL INFORMATION

CARE Ratings (Africa) Private Limited ("the Company") was incorporated under the laws of Mauritius on 12 December 2014 as a private company limited by shares. The Company holds Credit Rating Agency Licence issued by the Financial Services Commission.

The Company also holds a credit rating agency license issued by the Capital Markets Authority of Kenya and is registered with the Kenyan Registrar of Companies.

The main activity of the Company is to act as a credit rating agency in Mauritius and Kenya.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments valued in compliance with applicable accounting standards.

The methods used to measure fair values, wherever applicable, are discussed further in note 3.

(c) Functional and presentation currency

These financial statements are presented in Mauritian Rupees ("MUR"), which is the company's functional and presentation currency.

(d) Use of estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income or expenses. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(e) Going concern

Management have made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

(f) **Determination of fair value**

Information about determination of fair values and valuation of financial instruments are described in note 3.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

3.2 Financial Instruments

Financial assets

(a) Classification

The directors reviewed and assessed the Company's existing financial assets as at 1 April 2019 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has had the following impact on the Company's financial assets as regards their classification and measurement:

Loans and receivables

Financial assets classified as held-to-maturity and loans and receivables under IAS 39 that were measured at amortised cost continue to be measured at amortised cost under IFRS 9 as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit and loss (FVTPL)

A financial asset is classified in this category if the asset is a hybrid contract that contains one or more embedded derivatives unless the embedded derivative does not significantly modify the cash flows that otherwise would be required by the contract or it is clear with little or no analysis when a similar hybrid instrument is first considered that separation of the embedded derivative is prohibited. Derivatives are also categorized as financial assets at fair value through profit and loss.

Financial assets at Fair value through Other Comprehensive Income

The Company's investments in equity instruments (neither held for trading nor a contingent consideration arising from a business combination) that were previously classified as available-for-sale financial assets and were measured at fair value at each reporting date under IAS 39 have been designated as at FVTOCI. The change in fair

value on these equity instruments continues to be accumulated in the investment revaluation reserve.

Recognition, derecognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss, are initially recognized at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

The Company assesses at each reporting date, whether there is any objective evidence that any financial asset or group of financial asset is impaired.

A financial asset or group of financial asset is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more event that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows on the financial asset or group of financial asset that can reliably be estimated.

Evidence of impairment may include indication that the debtors or group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and when observable data indicate that there is a decrease in the estimated future cash flows such as changes in arrears or economic conditions that correlate with defaults.

Any loss in the value of an asset held at amortized cost is recognized in the income statement.

Financial liabilities

Financial liabilities permitted to be designated on initial recognition as being at fair value through profit or loss are recognized at fair value, with transaction costs being recognized in profit or loss and are subsequently measured at fair value. Gains and losses on the financial liabilities designated as at fair value through profit or loss are recognized in profit or loss as they arise.

Interest on any financial liability instruments are recognized as finance cost in the income statement.

Other financial assets & liabilities

(a) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognized in the statement of comprehensive income.

(b) Other receivables

Fees and other receivables are non-derivative financial assets with fixed or determinable payments. After initial measurement, such financial assets are subsequently measured at cost less impairment.

3.3 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

3.4 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

3.5 Current and deferred income tax

Current income tax liability and deferred tax are provided based on regulations in place in Mauritius.

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred tax liability is settled.

The principal temporary differences arise from depreciation on investments in properties and property, plant and equipment, provision for bad debts, retirement benefit obligations, and tax losses carried forward. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

3.6 Foreign currency

Functional and presentation currency

The financial statements are presented in Mauritian Rupees (MUR), which is the Company's functional and presentation currency. Management considers this currency to be its functional currency as its funds are generated in MUR and most faithfully reflects its business model.

Transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

3.7 Provisions & contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, which it is probable, will result in outflow of resources that can be reasonably estimated. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligations disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

3.8 Revenue recognition

Provided the amount of revenue can be measured reliably and it is probable that the company will receive any consideration, revenue sale is recognized in the period in which the services are rendered.

3.9 Expenditure

All expenditure has been accounted on accrual basis.

3.10 Related parties

Related parties are individuals and enterprises where the individual or enterprise has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

3.11 Dividend Distribution

Dividend distribution to shareholders is recognised in the financial statements in the period in which the dividends are declared.

3.12 Employee Benefits

There are no funded benefit schemes for the company. The only unfunded retirement gratuities paid relate to the Company's obligations under the Employment Rights Act.

The following payments were made for the years ended March 31, 2019 and 2020 are shown below:

	2020	2019
	Rs.	Rs.
National Pension Fund contributions	149,670	96,394

3.13 IFRS 16 Leases

IFRS 16 is effective for accounting periods beginning on or after January 01, 2019. The Company has adopted this standard as from its initial application i.e. July 01, 2019. Comparative figures shall not be restated as allowed by the standard.

On the date of initial application, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at July 01, 2019.

The Company has recognised with effect from July 01, 2019 new asset and liability related to its only lease agreement for the rental of office premises. The nature of expenses will change from lease rent in previous periods to amortisation charge for the right-to-use asset and interest accrued on lease liability.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those used in the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective during that quarter and applicable at April 01, 2019.

New or revised standards, amendments and interpretations

IFRS 16 Leases

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

IFRIC 23 Uncertainty over Income Tax Treatments

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

Annual Improvements to IFRS Standards 2015-2017 Cycle

Standards, amendments and Interpretations issued but not yet effective

IFRS 17 Insurance Contracts

Amendments to References to the Conceptual Framework in IFRS Standards

Definition of a Business (Amendments to IFRS 3)

Definition of Material (Amendments to IAS 1 and IAS 8)

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities at the end of the reporting period.

However, uncertainty about these assumptions could result in outcome that could reproduce a material adjustment to the carrying amount of the asset or liability affected in future periods.

The only estimate relates to the depreciation of property, plant and equipment which is based on the useful economic life of the asset.

6. FINANCIAL RISK MANAGEMENT

The Company's activities expose itself to a variety of financial risks. In order to understand and address the various risk factors, Management has analysed its risk profile as follows:

Credit risk

Credit risk refers to the risk of default on its obligations by the counterparty resulting in financial loss. The main financial assets exposed to credit risks are balances held with banking institutions and amounts due from clients for services rendered.

Management has established mechanisms to ensure that any default be promptly identified and appropriate actions taken. At present, Management does not consider the risks associated to trade receivables and banks to be significant.

Exposure as at quarters ended March 31, 2020 and 2019 as regards financial assets is shown below:

	2020	2019
	Rs.	Rs.
Cash resources	21,177,270	14,020,667
Other receivables	207,635	159,417
Total	21,384,905	14,180,084

Management regularly reviews the nature of all balances exposed to credit risk by taking into account the repayment history, repayment ability and full use is made of market information for such assessments.

Liquidity risk

Liquidity risk refers to the risk that the Company may not be able to meet its obligations when they fall due. Expected cash flows are used as a prime basis for the assessment of liquidity positions at regular intervals.

Financial liabilities with relevant maturity periods are shown below:

Trade and other payables	< 1 year Rs.	1 < 3 years Rs.	3 - 5 years Rs.	>5 years Rs.	Total Rs.
March 31, 2020	1,673,623	-	-	-	1,673,623
March 31, 2019	543,753	-	-	-	543,753

The Directors do not consider this risk to be material.

Market risk

This is further split into foreign currency, equity price and interest rate risks as described below.

Foreign currency risk

This is the risk of fluctuations in fair values or future cash flows of financial instruments because of foreign currency changes. The company holds cash balances and fixed deposits in the United States Dollar (USD) and exposure is restricted to this currency.

Financial assets held in currency is shown below:

Currency	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	2020 (Rs.)		2019 (Rs.)	
USD	8,595,541	-	6,905,594	-

At March 31, 2020, if exchange rate has strengthened/weakened by 1% against the following currency, the result would be as follows:

Currency	Movement in 2020 exchange rate	Effect on Operating Profit after tax	Movement in 2019 exchange rate	Effect on Operating Profit after tax
	2020 (Rs.)		2019 (Rs.)	
	%	Rs.	%	Rs.
USD	1	85,955	1	69,056

Equity price risk

This refers to the unfavourable changes in fair values of equities as a result of changes in the value of shares. The Company currently does not hold any shares in entities and as such not exposed to this risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in the market interest rate relates primarily

to the bank balances with floating interest rate. The Directors do not consider the impact of interest risk to be material.

7. CAPITAL RISK MANAGEMENT

The Company has been incorporated with capital contributed by its shareholder. The Company's objective is to safeguard the existing capital base and keep the Company as a going concern with a sound financial base to support its activities and maximise shareholder value. The company manages its capital structure through dividend distributions and/or new issue of shares as and when required.

8. FAIR VALUE ESTIMATION

The nominal value less estimated credit adjustments of trade payables are assumed to approximate their fair value. Directors do not consider any other assets or liabilities to be subject to fair value estimation for the year ending March 31, 2020 and 2019.

The exchange rate used at March 31, 2020 was 1 USD = Rs. 39.27 compared to 1 USD = Rs. 34.91 as at March 31, 2019. These rates are taken from the Bank of Mauritius website.

9. POST BALANCE SHEET EVENT

There were no events which arose after the balance sheet date which required adjustment to the financial statements.

10. REVENUE

Income represent fees received/receivable from client during the year for services rendered.

11. PROPERTY, PLANT & EQUIPMENT	Computer Equipment	Furniture	Total
Cost	Rs.	Rs.	Rs.
Balance at April 01, 2019	127,769	-	127,769
Additions	138,600	1,300,000	1,438,600
	-----	-----	-----
Balance at March 31, 2020	266,369	1,300,000	1,566,369
	-----	-----	-----
Depreciation			
Balance at April 01, 2019	125,872	-	125,872
Charge for the year	30,442	195,000	225,442
	-----	-----	-----
Balance at March 31, 2020	156,314	195,000	351,314
	-----	-----	-----
Net book values			
At March 31, 2020	110,055	1,105,000	1,215,055
	-----	-----	-----
At April 01, 2019	1,897	-	1,897
	-----	-----	-----

12. LEASE ASSET AND LIABILITY

	2019
	Rs.
(a) Right-of-use asset	
Cost	
Addition during and balance at end of year	4,917,150

Depreciation	
Charge for the year	737,573

Net book value	
At December 31, 2019	4,179,578

(b) Lease liability	
Amount recognised during the year	4,917,150
Finance charge accrued	247,951
Rental amount paid	(846,000)

Balance at end of year	4,319,101

Analysis of lease liability	
Due within one year	849,541
Due after one year and less than five year	3,469,560

13. INCOME TAX

	2020 Rs.
(a) Statement of Total Comprehensive Income	
Tax charge for the year	1,335,454
(b) Statement of Financial Position	
Tax liability at end of year	1,335,454
(c) Tax Reconciliation	
Profit before taxation	10,122,335
Income tax @ 15%	1,518,350
Adjusted for:	
Effect of timing differences	5,302
Income not subject to tax	(140,470)
Effect of tax losses of previous years	(47,728)
Current tax charge	1,335,454
Effective tax rate	13%

14. BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share has been calculated as follows:

	2020 Rs.	2019 Rs.
Number of shares in issue during the year	400,000	400,000
Total comprehensive income for the year	8,786,881	5,791,279
Basic and diluted earnings par share (Rs.)	21.97	14.48

15. TRADE AND OTHER RECEIVABLES

	2020 Rs.	2019 Rs.
Trade receivables	2,811,750	-
Other receivables		
Deposits	229,500	67,500
Prepaid regulatory fees	90,147	79,626
Interest receivable	117,488	79,791
	437,135	226,917

Notes to the financial statements for the year ended March 31, 2020

16. CASH RESOURCES

	2020	2019
	Rs.	Rs.
Cash at bank	5,636,170	2,643,082
Fixed deposits - within 3 months of maturity	5,000,000	3,140,845
Fixed deposits - more than 3 months to maturity	10,541,100	8,236,740
	-----	-----
	21,177,270	14,020,667
	=====	=====

Fixed deposits with maturity of less than 3 months after date of financial statement have been classified under cash at bank.

17. STATED CAPITAL

	2020	2019
	Rs.	Rs.
Ordinary Shares - Issued and fully paid up		
Balance at April 01, and at March 31,	13,996,178	13,996,178
	=====	=====

18. TRADE & OTHER PAYABLES

	2020	2019
	Rs.	Rs.
Trade payables	139,092	17,250
	-----	-----
Other payables		
Due to government bodies	742,144	176,468
Salary dues	186,579	-
Royalty fees	605,809	350,035
	-----	-----
	1,534,532	526,503
	=====	=====

19. RELATED PARTIES TRANSACTIONS

The following transactions were carried out with related party on normal commercial terms and conditions and at market prices:

(a) Transactions with holding company

	Balance at April 01, 2019	Paid during the year	Accrued for the year	Balance at March 31, 2020
Royalty payable to CARE Ratings Limited	350,035	(350,035)	605,809	605,809
	-----	-----	-----	-----

Royalty is payable to CARE Ratings Limited at the rate of 3% on turnover.

(b) Compensation to key management personnel

	2019	2018
	Rs.	Rs.
Directors' emoluments	4,090,285	3,499,302
Other benefits	149,615	202,598
	-----	-----
	4,239,900	3,701,900
	=====	=====