INFIBEAM AVENUES™

PAYMENTS | PLATFORMS

Purpose Fuels Growth

Powering Infinite eCommerce

Infibeam Avenues Limited

Annual Report 2020-21

Purpose Fuels Growth

Powering Infinite eCommerce

The core purpose of Infibeam Avenues Ltd is to facilitate the growth of eCommerce through cutting edge fintech solutions. Over the years the company kept enhancing its fintech capabilities through organic growth and inorganic acquisitions. Today through a diverse range of digital payments and eCommerce platforms the company is able to impact largest eCommerece platforms, Government's digitalization initiatives, large corporates, merchants and banks in India, Middle East and USA. The company is even impacting those who are underbanked and unbanked segment in India.

Stepping into FY22 and beyond, the company is poised to further accelerate its growth by powering infinite eCommerce.

Our Vision

Our vision is to enhance the way customers and merchants live, trade and transact through the digitisation and democratisation of commerce. We want to build a world class Fintech company as, our Fintech is 'Next Generation' and capable of delivering 10X value proposition to the customer.

Mission

Our mission is to provide world class state-of-the-art fintech platforms for trade, commerce and payments.

Table of Contents

01

Overview

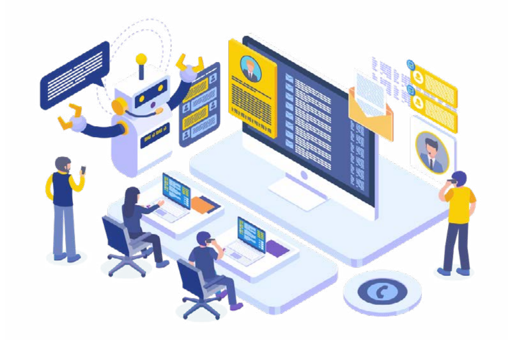
Infibeam Avenues Ltd.

Founded in 2010, Infibeam Avenues Ltd. is one of India's leading financial technology (fintech) company with a deep understanding and capability in digital payment solutions and enterprise ecommerce marketplace software platforms. Infibeam is focused on providing cutting edge digital fintech solutions along with high speed compute and storage data center services to businesses and governments ("B2B customers") who wants to do online transactions.

Fintech Solutions

The Company's solutions cover full stack online digital payments (Payments) and enterprise ecommerce marketplace software platforms (Platforms) including cloud service.

First listed digital payments & platforms company



Marquee Clients

The Company's clientele includes marquee brands across various industry verticals. The Company also hosts one of India's largest ecommerce platforms, for the Government of India called Government eMarketplace (GeM) and has also offered this to Reliance's Jio Platforms Limited.

India's first ecommerce platform provider to large enterprises

Leadership

The Company is strengthening its leadership position in core markets across the industry with a strong commitment to live upto its business mantra 'Enabling Digital Transactions Globally'.

The Company's illustrious leadership team guides it with proven expertise and experience in the B2B digital payments and enterprise software solutions space

India's first Retail Payment Gateway

Where we are

Headquartered at the promising International fintech hub at Gujarat International Finance Tech-City (GIFT) at Gandhinagar, Infibeam also has offices at Mumbai, Delhi, Bengaluru, the UAE, KSA and USA.

The Company is listed on the BSE & NSE and is part of the FTSE Small Cap Index and MSCI Global Small Cap Indexes.

Leader in India[1] and UAE[2]

[1] Most profitable fintech company in terms of consolidated EBITDA and PAT margins in India
[2] Among non-bank unfunded private payment companies

Milestones

2010 2014

Launched Small and Medium Enterprise (SME) marketplace software platform BuildaBazaar to build online stores.

Launch of large enterprise marketplace software platform to build scalable online stores (BuildaBazaar for enterprise)

Acquired ODigMa, an online digital marketing services company

Received licence from ICANN to launch and operate '.OOO' GTLD globally

2014 2018

2016

Got listed on BSE and NSE. Part of S&P BSE A Group and S&P BSE 500

2017

Acquired and merged Avenues India Pvt. Ltd. (CCAvenue) to offer payments, along with platform solutions

Won contract from the Government of India for powering their online procurement portal, Government e-Marketplace (GeM)

Acquired 51% with control of cloud ERP solutions provider DRC Systems

2018

Rebranded Infibeam Incorporation to Infibeam Avenues to reflect focus on payments business, along with platforms business

Acquired Dubai-based Vavian International to launch payments business in the UAE

2019 2021

2019

Demerged and divested non-core businesses; supply-chain related SME marketplace software platform to Suvidhaa, ancillary eCommerce business to Ingenius eCommerce, demerged Theme Park & Event Software to DRC, and sold 51% stake in the UAE software platform entity to Unipropitia

Filed for the demerger and listing of Suvidhaa and DRC Systems to unlock shareholder value

2020

Launched digital payments in the KSA, Oman and USA

Increased stake in Go Payments to 52.38% and partnered with them to offer neo-banking, digital cards and digital lending

2021

Crossed ₹ 1L crore of payment processing in FY21

Crossed ₹ 1L crore of cumulative processing on GeM platform

Contracted with Jio Platforms Ltd (JPL) to offer Enterprise Platforms and Payments

Contracted with JPMC Bank India to offer enterprise payments as white-label solution

Launching payment issuance (Neo banking, cards & lending) thru subsidiary Go Payments

Applied for Retail Payment Network license from RBI, along with consortium partners (JPL, Google & Facebook)

How We Create Value

Inputs

Market Demand Drivers

Indian Digital payments industry currently stands at ₹ 2,153 Tn and will grow at 27% CAGR to reach ₹ 7,092 Tn by FY25.

Low penetration of banking and financial services in India; growth of millennials & high smartphone penetration, indicate a strong headroom for growth.

Customer Needs

Customers including small, medium and large business, governments, banks and financial institutions are looking for reliable partners to manage their Fintech requirements.

Our Relations

Merchants, retailers, SMEs, corporates, banks, financial institutions, governments, and key stakeholders in the Fintech space.

Our Assets

Our people

Experienced Management

Intellectual Assets

Strong Balance Sheet

Brand Equity

What We Do

Our Business

Infibeam Avenues Limited provides a comprehensive suite of Digital Payment Solutions (Payments) & Enterprise Marketplace Software Platforms (Platforms) along with data center services. Our diversified Fintech solutions stacked under one roof aims to simplify business operations and payments for merchants, enterprises, governments and banks.

Payments

The company's Digital Payments portfolio consists of the following product lines and offerings:

Payment Acquiring

Payment Issuance

Domestic & International Remittances

Platforms

The company has built successful ecommerce marketplace platform that enable SMEs and organizations to do large scale business online. It is offered as software as a service (SaaS) model, making it easy for any business merchant to adopt technology.

Outputs

Relations

3 Million+
Merchants

Online Transactions

182 Million
transactions processed

₹ **1.4** trillion
Transaction Processed Value (TPV)

Economic Value Created

₹ **32,730** Million
Balance Sheet (FY21)

₹ **5,500** Crore
Market Capitalization
26.08.2021

₹ **182** Million
Taxes Paid (FY21)

Key Highlights

In FY 2020-21 the value of transactions processed increased by 64% to ₹ 139,405 crore ($19 bn) from ₹ 85,251 crore in FY 2019-20.

₹ **676** crore

Gross Revenue
+ 7% YoY

₹ **114** crore

Net Revenue[1]
+ 18 % YoY

61 %

EBITDA as % of Net Revenue
Down 100 bps, YoY[2]

27 %

PAT as % of Net Revenue[3]
750 bps

72 %

India Payments TPV
5 years CAGR

55 %

UAE Payments TPV
2 years CAGR[4]

150 %

Bill Payments Volume
2 years CAGR

86 %

GeM TPV
3 years CAGR

106 %

Go Payment TPV - YoY

[1] Net Revenue = Gross Revenue less Operating (payment processing) expenses
[2] incl. Go Payments in FY20 for like-to-like comparison.
[3] PAT excludes; one time gain, share of profits from associates and any exceptional items
[4] UAE payments business launched in FY 2019 (June 2018)

Transaction Processing Value (TPV*) for the year 2021 went up by 64% YoY

₹1.

* *Total (India Payments + UAE Payments + Government eMarketplace GMV) transaction processing value (TPV)*

4 Lakh Crore

($19 Billion)

Key Performance Indicators

Revenue from Operations (₹ in million)

FY21	6,760
FY20	6,327
FY19	11,591
FY18	8,393
FY17	4,413

EBITDA (₹ in million)

FY21	1,418
FY20	1,511
FY19	1,762
FY18	1,567
FY17	667

Profit after tax (₹ in million)

FY21	702
FY20	1,107
FY19	1,263
FY18	881
FY17	435

EBITDA % of Net Rev (%)

FY21	61
FY20	64
FY19	32
FY18	42
FY17	36

PAT % of Net Rev (%)

FY21	30
FY20	47
FY19	23
FY18	24
FY17	24

EPS[1] (₹)

FY21	0.53
FY20	0.84
FY19	1.91
FY18	1.33
FY17	0.83

Note: FY 2018-19 and previous years not comparable as it includes demerged and divested non-core businesses

Net Cash
(₹ in million)

FY21	1,583
FY20	725
FY19	925
FY18	1,159
FY17	1,705

Operating Cash Flow[2]
(₹ in million)

FY21	1,481
FY20	1,590
FY19	1,975
FY18	1,761
FY17	755

Capex[3]
(₹ in million)

FY21	825
FY20	301
FY19	842
FY18	1,143
FY17	1,898

Free Cash Flow[4]
(₹ in million)

FY21	656
FY20	1,289
FY19	1,133
FY18	619
FY17	-1,144

TPV (₹ Bn)
(₹ in million)

FY21	1,394
FY20	853
FY19	692
FY18	276
FY17	126

Segment Reporting
(₹ in million)

	Payments	Platforms
FY20	4,741	1,586
FY21	5,233	1,528

[1] Bonus of 1:1 given to shareholders in Dec'2020

[2] Cash flow from operations before Working Capital (CFfO)

[3] Capex is net of IPO money utilised since FY 2016-17 and up to FY 2019-20

[4] CFfO less Capex

Overview

Digital Payments & Platforms

Digital Payments

CCAvenue®

Payment Gateway + White Label

- India's first online retail PG estb. in 2001 (front-end)
- Among the leaders in India and UAE
- White-labeled with HDFC, Kotak, JPM
- Marquee clientele
- 200+ payment options; amongst highest
- Multi-currency
- India, UAE, Saudi, USA; plans to launch in multiple countries

For more details refer page 32

CCAvenue®

B2B Payment + White Label

- Automation of Receivables & Payables for corporates
- Complements PG; higher wallet share
- White-label with HDFC Bank
- India focus

For more details refer page 32

CCAvenue®

Acquiror Processor (CPGS)

NEW BUSINESSES

- Card processor for acquiring banks (back-end)
- MPI, switch and network
- PG agnostic
- First launched in Oman; now 90%+ Oman's online card volume secured
- Also contracted with Jio Platforms in India
- Multiple fees from setup to per transaction
- Plans to launch in multiple countries

For more details refer page 38

Go PAYMENTS

Neo Banking + DMT + Assisted Commerce

NEW BUSINESSES

- Digital banking for corporates and SMEs
- Corporate credit cards
- Prepaid cards
- Lending
- Domestic Money Transfer (DMT)
- AEPS
- Assisted commerce
- Cash collection services for corporates
- India focus

For more details refer page 36

BillAvenue®

Bill Payments

- Biller & Customer operating unit license from RBI for bill payments thru Bharat BillPay Systems (BBPS)
- 90%+ mkt share of BBPS billers
- 650,000+ agents across 2600+ Indian cities and towns to process customer bills
- Billers across various industry sectors
- Exclusive processor for India's top 3 LPG cylinder companies
- India focus

For more details refer page 33

ResAvenue®

Hospitality

- Hospitality platform to book and distribute hotel inventory integrated with company's PG
- Channel manager and booking engine allows to pool and distribute rooms across various sales channel and collect money through PG
- 2500+ hotels
- India and UAE

For more details refer page 34

Enterprise eCommerce SaaS Platform

BuildaBazaar

- SaaS platforms for large scale eCommerce implementation
- GeM, largest eCommerce Implementation by the company ...
- ... followed by Jio Platforms
- Data center for public cloud services
- Production ready blockchain platform running on HyperLedger
- Domain infra services
- India and international; plans to launch in multiple countries

For more details refer page 42

Business Model

What is Fintech

It's Friday evening. Nidhi wanted to eat her favourite pizza - Veg Extravaganza. She picked her phone, ordered it through an online app, made the payment online through her card, and voila, the pizza was delivered in half an hour. In deconstructing the above business transaction, the online payment part is possible because of fintech. Fintech refers to the technology offerings of financial services, providing new and improved ways of user experience in financial transactions, often at higher convenience and lower costs.

Key Drivers of Fintech Industry

According to EY's fintech adoption index around 1/3rd of of India's 1.3 billion + population uses two or more fintech services per day. Among the emerging markets across the world, India has the highest fintech adoption rate.

1.30 Billion + Growing Consumer Population

The average household income in the country is expected to triple over the next two decades to make India world's 5th largest consumer economy by 2025.

SMEs/MSMEs

SMEs and MSMEs are also on an accelerated journey of taking their products and service offerings from offline to online model. There are 60 Million SMEs in India, and this number is expected to go up by 70 Million by 2025. From 46% of merchants using PG, UPI and POS, the use is expected increase to 65% by 2025.

60+

Million SMEs in 2020

70+

Million. Expected SMEs in 2025

Increasing use of smart phones and internet

1.10

Billion mobile connections

622

Million internet users in 2020

900

Million. Expected internet users in 2025

Source: IAMAI and Kantar Research

The rise and rise of e-tailing

Rising internet usage, increasing middle class with greater consumer spending power and the youth demographic representing a greater share of the country's population are driving the Indian e-commerce market's ongoing development

350 Million +

Online shopper by 2025

$**200** Billion

Online market by 2025

Social Media usage is accelerating e-tailing

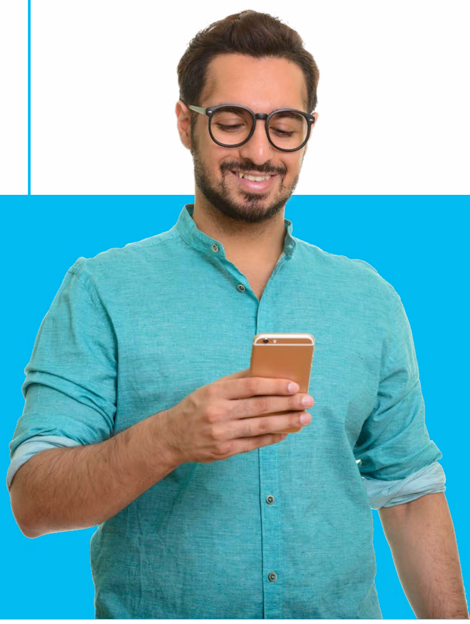
448

Million Social Media Users
+21% between 2020 and 2021

67.4%

Expected penetration by 2025

Source: Statista



Government and regulator initiatives:

Government programs and sponsorships that have (positively) impacted fintech space are – Unified Payments Interface (UPI), Jan Dhan Yojana, Startup India, License for payment banks, Regulatory sandbox by RBI, National Common Mobility card etc.

1.28 Billion+

Aadhaar cards issues as on 31 March, 21

339 Million

Aadhaar linked to Bank accounts

150 Million

eKYC in three years

Review of Key Trends

The Indian payment gateway market is expected to register a CAGR of 19%* between FY 2020 - FY 2025 fuelled by the exponential growth in online retail, online utility payments and remittances.

According to a report published in August, 2020 by KPMG, as more and more cards, BBPS and wallets transactions are expected to happen over online platforms, the usage of payment gateway for the purpose of processing transactions is expected to increase. E-commerce, Insurance, essentials, donations, online education, media / entertainment are expected to be the growth drivers while hospitality, travel and tourism will take more time to revive from the covid impact.

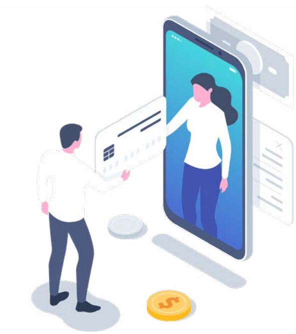
Technology, consumer trends and policy initiatives driving the digital payment growth

Businesses going Digital

Businesses are going digital to capture broader markets and achieve higher growth and the IT expenditures are increasing across sectors

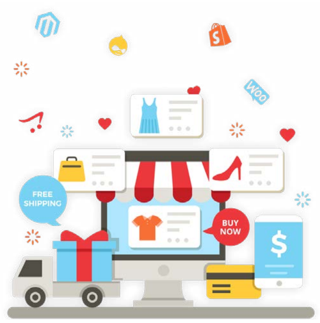
Government and Banks

Banks adopting digital technology to offer more services to consumers through mobile phones and reduce branch banking. Government, banks and small finance banks are reaching out to people at the bottom of the pyramid through technology enabled financial / banking solutions. Governments are embracing digital for transparency, higher productivity and higher savings.



Consumers

Consumers are embracing digital for speed, convenience, cost benefits and wider choice. Covid19 and the resultant social distancing and driver for contactless financial transactions have enabled more and more citizens adopting online transactions for retail and utility payments.



eCommerce Startups

Rise of large number of startups with unique ideas across industries and sectors to cater to diverse population through internet and mobile penetration.

*Redseer

Opportunity Spectrum

The scope for growth in eCommerce in India is even bigger since India's online retail growth is still behind larger markets such as the United States and China.

According to Forrester Research Ecommerce sales are estimated to have risen by only 7-8% in 2020, compared to almost 20% in China and the United States against the backdrop of driving contactless transactions during the pandemic. In 2020, the transaction volume share in India stood at 15.6 per cent and 22.9 per cent for instant payments and other electronic payments respectively, while paper-based payments had a considerable share of 61.4 per cent.

The non cash transactions in India is only 2% which means the 98% cash transaction space is an opportunity for digital payment industry to grow. From about 2.38 digital transactions per capita in financial year 2014, to 22.42 transactions per capita in financial year 2019, cashless payments had shown significant growth.

Non Cash Transactions (%)

Brazil	15
China	10
India	2

Per Capita Digital Transactions in India*

FY14	2
FY21	33

** Source: RBI*

eCommerce Penetration 2017* (%)

USA	12.3
China	13.8
India	2.4
UAE	4.2

** Sources: Household expenditure surveys; Forrester; Euromonitor; Bain analysis*

SMBs

70-75% of India's 65 million MSMEs still offline

Digital Payment Users

175-200 million (~12-15%) of India's 1.4 billion population use digital payments. 85% headroom for growth

Business Model

Infibeam in the Fintech Ecosystem

Infibeam Avenues Ltd. operates in the Digital Payments sub segment of the Fintech industry. The company is India's leading payment gateway / payment aggregator, also offering comprehensive payment solutions and eCommerce marketplace software platforms along with high speed compute and storage data center services to businesses in India, UAE, Saudi Arabia and Oman. The payments segment is the largest and leading within the Fintech ecosystem.

The key players in online payments

Customer

The customer wants to access the products or services that the merchant is selling online.

Merchant

An online business operating in any vertical (travel, retail, eCommerce, gaming, Forex, etc), offering a product or service to online shoppers.

Payment Gateway

A payment gateway is a front-end technology offered by payment service providers, like CCAvenue, to online merchants to accept digital payments (cards, net banking, UPI, etc.) from customers.

Issuing Bank

The issuing bank is the customer's bank that issues the cardholder's credit or debit card on behalf of the card schemes (Visa, Mastercard)

Acquirer

Also known as the acquiring bank, the acquirer is the financial institution that maintains the merchant's bank account (known as the merchant's account). The acquiring bank passes the merchant's transactions to the issuing bank to receive the payment.

Infibeam has recently applied for a Retail Payments License from Reserve Bank of India (RBI) through its subsidiary SoHum Bharat Digital Payments ("So Hum") along with consortium partners Jio Platforms, Google & Facebook. This helps further the ambition of IAL to be a one-stop digital payments provider.

Business Model

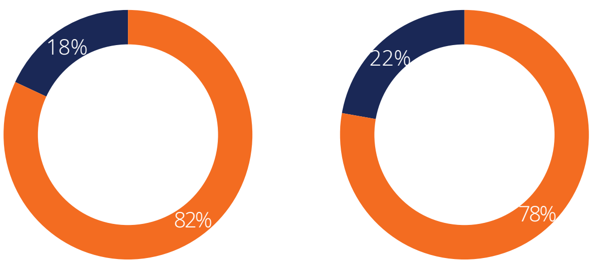
Revenue Model

Infibeam primarily offers Digital Payment Solutions and Enterprise Marketplace Software Platforms for ecommerce, broadly categorized as 'Payments' and 'Platforms' businesses respectively. Overall, 82% of gross revenue is transaction based- the whole of Payments business and the GeM portal offered to the Government of India- thus making the primary revenue model a transaction based one. The company also earns fixed annuity like revenue from its Platforms business in the form of license fee, subscription fee, setup costs, development fees, maintenance charges and through value added services offered to the clients.

Payment Gateway	Bill Payments	Government eMarket Place	Ecommerce Market Place Platform	Value Added Services
• CCAvenue (India + International • ResAvenue • B2Biz • CPGS (Entp. Payments)	• BillAvenue	• BuildaBazaar for Enterprise (BaB-E)	• BuildaBazaar for Enterprise (BaB-E)	• .OOO • Odigma and • other web-VAS
Transaction Based • Percentage • Flat-fee	**Transaction Based** • Flat Fee	**Transaction based** • Percentage	• License fee • Maintenance fee • Development charges	• Subscription fee • Maintenance fee • Development fee
• TPV • Monthly volume • Take rates charged to merchants • International business • Business from partners	• No. of Billers • No. of Industries • Consumer using BBPS Channels for bill payment • Agent Institution Network	• Govt buyers • Integration of various ministries • State Govt Participation • PWD Integration • More Products and Services selection	• Number of large enterprises • Renewal	• Number of Merchants
• Bank TDR • Partner Charges	• Commission Rates	• na	• na	• na

Businesses | Revenue model | Revenue drivers | Direct Cost drivers

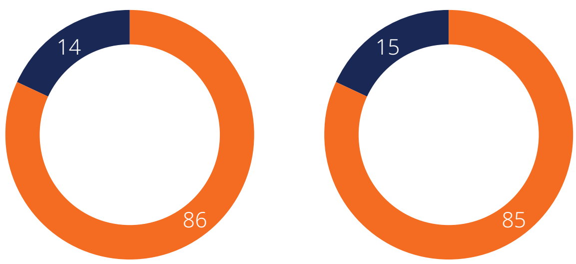
By Revenue type



FY 2021 | FY 2020

- Transaction based gross revenue
- Other operating revenue

Revenue by Geography



FY 2021 | FY 2020

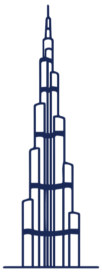
- India
- International

International Operations

The company is among the leading non-bank payment solutions provider in the UAE offering payment solution to over 3,000 merchants including many marquee businesses like Burj Khalifa At The Top, Emaar, Damac, Nakheel, and many more.

Through inorganic route the company expanded to Middle East digital payment market in June 2018. Within 18 months of its foray into UAE the company become the second largest non-bank private player in UAE. In September, 2019 the payment gateway business was launched in Saudi Arabia. In February 2020 the product was launched in USA followed by in Oman in the same year. The company has white labelled its solution to JPMC Bank India, HDFC Bank and Kotak Bank for their India payments. The company is exploring possibilities how this breakthrough can be replicated in USA.

Overseas Milestones



UAE

2013

Forayed into United Arab Emirates (UAE) through BuildaBazaar platform, to become one of the first Indian e-commerce player to go overseas

2018

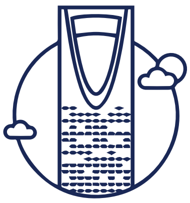
Launched CCAvenue payments in UAE in 2018

2.8 AED Billion

TPV in FY21
+ 72% Year on Year

2nd

In UAE among the non bank private online payment companies



Saudi Arabia

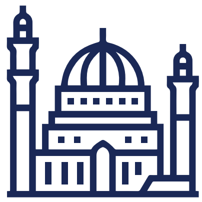
2019

In August 2019, Infibeam Avenues partnered with Riyad Bank for digital payments solution and with this the company has made early inroads into Saudi Arabia's digital payment space

USA

2020

Forayed into the United States of America, the world's second largest digital payments market by revenue. The company will offer its vast array of digital payment solutions to web and mobile-based small and medium enterprises (SME) largely operating in the online retail, education, hospitality and travel and tourism industry, apart from other industry verticals.



OMAN

2020

In November, 2020, Infibeam Avenues collaborated with Bank Muscat, a largest financial services provider in the Sultanate of Oman.

On October 9th, 2020, Infibeam Avenues partnered with Bank Dhofar, Oman's second largest financial services provider. Bank Dhofar SAOG to offer CCAvenue Payment Gateway Service to process online card transactions of various payment networks for Bank Dhofar SAOG and help the bank to authorise online payment for its customers.

02

Management Reviews

Chairman's Letter

India, with its 1.4 billion population, jumped on the digital bandwagon and is steadily racing ahead. Most Indian families now have access to at least one mobile, and thus, the telecom and internet revolution paved the way for other technological revolutions such as fintech, e-commerce, digital banking, e-governance and more.

Dear Shareholders,

I hope you and your loved ones are safe and healthy and vaccinated. The world entered the second year of the global Covid-19 pandemic, with millions more impacted by the known and unknown dangers the virus has presented. While India got off a little easy during the first wave of the coronavirus, even as Europe and the US suffered high death rates during that time, we got hit brutally during the second wave. While there are several debates and opinions about the hows and whys of it, we must acknowledge and accept that the virus, and a pandemic, both are almost unknown to the larger populace that is currently living through these unprecedented times. We also must acknowledge the efforts underway by humanity as a whole - the scientific community, the healthcare workers, the good Samaritans and the common man – each playing their part, contributing their best to alleviate the emotional, social, health and economic impact of the virus.

Infibeam, which began as a platforms company in 2010 and became a digital payments and platforms focused company in 2017, has consistently delivered value to the shareholders, investors, and society at large. With our platform being adopted by the Government of India for its e-marketplace, to our growing presence across the spectrum in the digital payments space, we have put all our energies and forces into bringing the best products and services to our merchant customers. Digital adoption is not a choice anymore, and we want to be the digital payments and ecommerce platform provider of choice for merchants, enterprises, financial institutions, and governments around the globe.

Covid-19 – challenges, impact and action

The Covid-19 pandemic brought challenges to the entire globe, and impacted individuals, enterprises and the economies. Some industries were more affected than others – travel, tourism, transportation and hospitality were harder hit, while technology companies, grocery retail, delivery companies, healthcare and pharma companies did well. In India, the festive season rang in good tidings for the retail sector, and the manufacturing PMI Index went up to 54.1 in October 2020 after being down for 6 months. Overall, power, rail, auto sales, GST collections and digital transactions started doing well around this time.

Government initiatives of Atmanirbhar Bharat, financial assistance to the MSME sector and infrastructure spend commitments gave a further boost to the economy. While the beginning of January 2021 started on a positive note with approved vaccinations underway in production, India got impacted by the second wave of the Covid-19, stronger and more hard hitting than the first wave. Even as healthcare systems tried to gear up to tackle the severity of cases, the central and state governments, NGOs and volunteers, all worked towards doing their best to help the people during the crisis. By June 2021, things have started easing up. The country has now successfully administered more than 25 million doses of vaccines, and daily average new Covid positive cases are under 100,000, after having peaked at over 400,000 in early April 2021.

Global Fintech story

Digital payments, remote consumption of services, online shopping and online banking got a huge acceleration due to the pandemic, which necessitated social distancing and staying indoors. In short, the payments and remittances market started growing fast, with several merchants, vendors and providers of goods and services trying to digitize their offerings and processes to retain market share, survive the pandemic and sustain beyond it.

While financial and economic indicators were negative the world over, the startup segment saw a lot more innovation, investment and excitement. The global fintech industry saw about $56.1billion infused during 2020-21 (April to March), compared to $84.billion in 2019 and $77.8billion in 2018.

Opportunities landscape

India, with its 1.4 billion population, jumped on the digital bandwagon and is steadily racing ahead. Most Indian families now have access to at least one mobile, and thus, the telecom and internet revolution paved the way for other technological revolutions such as fintech, e-commerce, digital banking, e-governance and more.

The startup sector is booming overall, with 14 Indian startups becoming unicorns in the first six months of the calendar year 2021. India's tech startups unicorn tally is 55, of which 12 are fintech startups. Indian Fintech startups raised about $3 billion during 2020-21 (April-March).

Various research indicates that the opportunity in payment sectors in India will cross US$1 trillion in the next three to five years' timeframe growing at 35%-40% CAGR, and P2M (person-to-merchant) size will reach $500 billion due to very strong tailwinds in India, increase in the penetration of e-commerce and growth from emerging industries like online groceries, ed-tech, med-tech, e-gaming, tech companies and many more that will join in the future, including the e-governance.

The next 10 years could see several industries flourishing online, which is great for the payments gateway business.

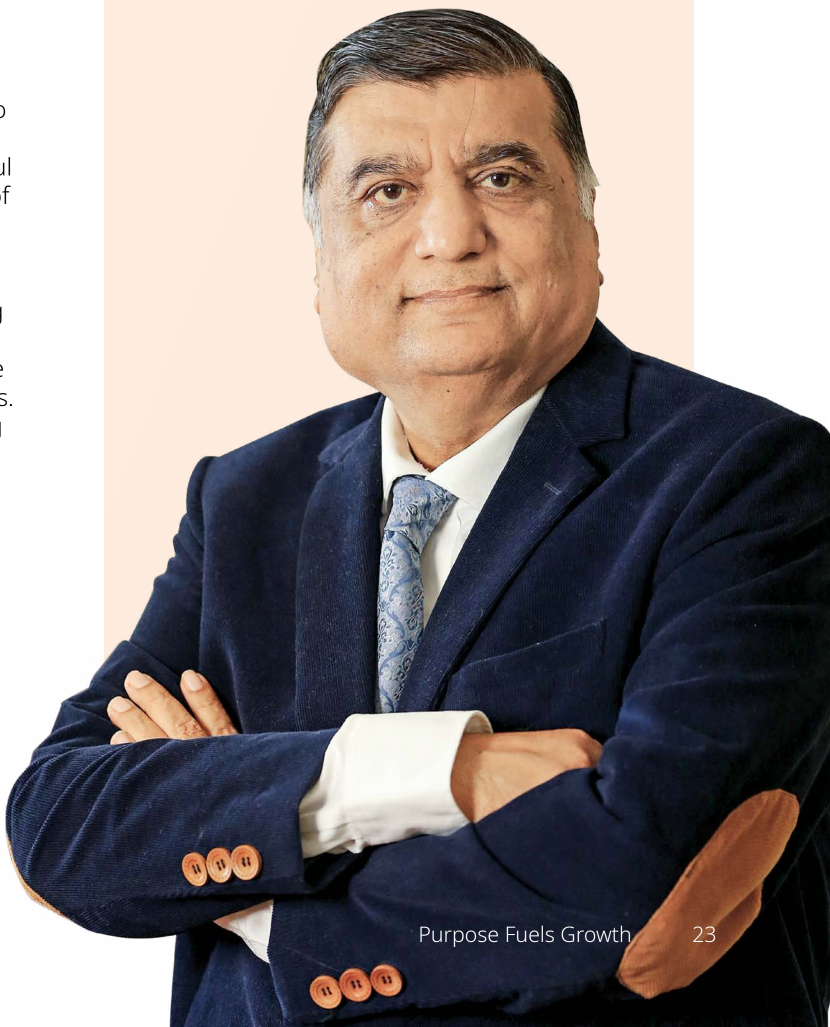
Digital Payments has touched the lives of many. The first boost to this segment came from the demonetization move by the Government in November 2018. From small businessmen and service providers to large scale enterprises and the Govt. of India, everyone is trying to digitize all aspects of their business, and the exchange of money is a crucial component. India is still a highly cash driven economy, and currently only about 15-18% of payments are digital. India also has one of the lowest per capita digital transactions in the world, at 33 in March 2021, as compared with other emerging countries such as Brazil (148.5), Russia (178.5) and China (96.7). These two data points indicate the massive growth potential of the industry. Tailwinds such as regulatory changes and the Government's thrust to digitize the country give further impetus for this growth.

Expanding our opportunities landscape, we went to the UAE in 2018 and KSA in 2019. We are already number two among the non-bank private payment companies in the UAE. Our **'country in a box'** strategy has been successful and we are looking to penetrate further with the launch of USA and more international markets. We are also moving strategically into other segments of payments acquiring to make enterprises and banks as our customers, and entering payment issuance business to offer neo banking and lending to small and medium enterprises and the corporates. We have started seeing early success in some of these newer service offerings in the Payments business. Our Platforms business continues to expand by engaging with large enterprises and giving us an opportunity to cross sell and engage with them to offer payment solutions.

Way forward

Just as the big telecom players have dreamt of putting a phone in every Indian's hand, and internet service providers have played a pivotal role in making the digital dream come true in the remotest corners of India, we dream of enabling all merchants with digital payments. Whether it is a payment network, gateway, processing, acquiring, lending, manging receivables and payables, online banking or credit cards, we want to play a role in digitizing these for every business. Our market

Our 'country in a box' strategy has been successful and we are looking to penetrate further with the launch of US and more international markets.



share, product portfolio, experience, leadership team and profitability put us in a very good position to achieve this dream. We proudly want to be at the forefront of the explosive growth and digital payments revolution of India.

Maximise returns to shareholders

I am delighted to report that we had another great year in terms of performance. FY21 saw a 59% jump in YOY value of transactions processed and 17% in volume of transactions. Gross revenues grew despite covid impacting businesses during most part of the year. We achieved growth in all our key fintech offerings. Bill Payments business performed exceptionally well with volumes up 226% YoY. Improvement in performance of sectors like aviation, travel & tourism, hospitality, entertainment, and recovery of discretionary spends in FY22, as the economy opens up, will push growth. These sectors were impacted in FY21 due to Covid.

Our new partnerships and acquisitions help in driving our strategy and accelerating our growth. We are well placed versus competition, as we are broadening our payment offerings through our collaborations, acquisitions and organic product and solution development. We are proud to be present across the entire spectrum of payments comprising payment acquiring, issuance and remittances, and in offering a niche ecommerce marketplace platform to large enterprises.

Our Board has approved a final dividend of 5% after issuing 1:1 bonus shares in December 2020, effectively translating to a 10% dividend pre-bonus. Our EBITDA to cash conversion continues to be above 100% for five consecutive years. We are also free cash flow positive and have negligible debt. These strong financials give us the confidence to continue to generate maximum value for our shareholders.

We are proud of our work culture, and dedicated to improve the customer experience with our fintech products. Our rich experience, attention to details, innovation and forward thinking helps us bring out the best products and solutions to our customers. Our policies and practices are guided by strong ethics, an aspiration to have operational excellence, and bring our best to work everyday.

I would like to give my thanks to our employees and their families for their contribution and support during these difficult times for the world at large. I am immensely grateful to all of our stakeholders including vendors, investors, customers, partners and the society, who all form the fabric of the landscape we operate in. I hope for the world to heal and move past the pandemic, and for everyone to be safe, healthy and happy.

Regards

Ajit Mehta
Chairman

Expanding our opportunities landscape, we went to the UAE in 2018 and KSA in 2019. We are already number two among the non-bank private payment companies in the UAE.

Strategies, KPIs & Goals

INCREASE MERCHANT PENETRATION

Key Performance Indicators:

Average daily registration doubled compared to FY20

Goals:

20 million merchants by 2031

INCREASE AGENT NETWORK IN INDIA

Key Performance Indicators:

650,000+ agents

Goals:

2+ Million by FY 2026

BUILDING A DIVERSE PORTFOLIO OF SERVICES

Key Performance Indicators:

Over the years the company has developed a diverse portfolio of products and value added products in Acquiring, Issuing and Remittances

Goals:

Launching AI-based lending

Winning retail payment network license from RBI

OVERSEAS EXPANSION

Key Performance Indicators:

In the recent years the company expanded to UAE, Saudi Arabia, Oman and USA.

Goals:

Plans to have a footprint in 12-15 countries in the next three years

EXPANDING LENDING BUSINESS

Key Performance Indicators:

Launched express settlement in Sept 2020

Goals:

Targetting $200 million of express settlement in FY 2022; 2x YoY

Enabling AI-based lending for NBFCs & Banks targeting Company's growing base of millions of merchants

MONETISING DATA

Key Performance Indicators:

3+ mn merchants across various fintech solutions

Goals:

Penetrate and scale digital lending to the growing base of Company's merchants

INORGANIC ACQUISITION TO EXPAND FINTECH CAPABILITIES

Key Performance Indicators:

Increased stake in Go Payments to build micro and small business network, and build credit solutions for SMEs and Corporates

Goals:

Commercially launch credit business and expand credit offering with various value added services

PRICING AGILITY

Key Performance Indicators:

Dynamically pricing to capture market opportunities

Goals:

Earn industry best realisation rates by increasing wallet share from merchants

Review by the Managing Director

We grew in higher double-digit percentages in terms of processing volume and increased the value of transactions processed from ₹ 85,251 crore ($12bn) in FY 2019-20 to ₹ 139,405 crore ($19bn) in FY 2020-21

I sincerely hope that all of you, along with your families, are safe and well. In times of distress that the current pandemic has caused, we are extremely grateful to every single person, enterprise and institution that is helping alleviate our nation, and the world, from the problems caused by the pandemic. We, at Infibeam Avenues Limited, have tided through the pandemic, even grown our operations, and are ever thankful to our customers, stakeholders, employees and all the people whose lives we touch, and who touch our lives.

The year gone by: delivering sustainable returns

We had a great FY 2020-21, during which we grew in higher double-digit percentages in terms of processing volume and increased the value of transactions processed from ₹ 85,251 crore ($12bn) in FY 2019-20 to ₹ 139,405 crore ($19bn) in FY 2020-21. We saw a great build up in the momentum for flat fee-based transactions, which got a big boost during both waves of Covid, compensating for the drop in percentage-based revenues from impacted segments such as airlines, travel & tourism, hospitality, entertainment and discretionary spends largely related to e-retail. Overall, our gross revenues went up to ₹ 676 crore, a 7% growth YoY. Our Q4 contributed to end the year strongly. We achieved major milestones in our Q4 FY 2020-21 KPIs – TPV worth nearly ₹ 17,000 crore ($2.3bn) per month (up 93% YoY), over 0.5 million transactions processed daily (up 20% YoY), and an increase in GeM revenues in Q4 FY 2020-21 by 78% YoY. Based on Q4 FY 2020-21 TPV run-rate we will achieve a TPV of $28 billion in FY 2021-22 and are targeting to achieve an overall TPV of $100 billion in the next four-five years as we expand our transaction processing businesses under Payments and Platforms.

TPV in Payments business increased 55% YoY to approximately ₹ 100,780 crores in FY 2020-21. For a like-to-like comparison, we included the TPV of our subsidiary Go Payments in FY 2019-20 while calculating growth, without which the growth is higher at 64%. We consolidated Go Payments financials from May 2021. Monthly payment processing in Q4 averaged about ₹ 10,000 crore, from ₹ 5,300 crore in the same period last year. Thus, we are at an annual run rate of processing ₹ 1.2 lakh crore to ₹ 1.3 lakh crore, or about $18 billion in payments in FY 2022. This is coming from two major geographical markets - India and UAE. Soon, we'll also see international markets like the Saudi and a few of the GCC countries and USA adding to this growth. We will add more international markets in the next few years.

Merchant registrations continue to be robust, and our alliance partnerships continue to deepen, opening up more business for us. Our retail contribution continues to dominate in terms of number of merchants on the PG platforms. Education, utility, grocery, IT are among the larger contributors in FY 2020-21. Basically, merchant registrations in FY 2020-21 has been the best we have seen in our history, at nearly 300 registration on an average

Based on Q4 FY 2020-21 TPV run-rate we will achieve a TPV of $28 billion in FY 2021-22 and are targeting to achieve an overall TPV of $100 billion in the next four-five years as we expand our transaction processing businesses under Payments and Platform.

every day in the PG business alone, and it seems like we are at the cusp of digital growth from here.

In the bill payments business, through our BillAvenue platform, the average daily volume growth was almost 7x in March 2021 compared to April 2020. Bill payments volume in FY 2020-21 was up 226% YoY to 25 million. We have seen month-on-month growth in volumes in the entire FY 2020-21. Given the run-rate of bills processed in March 2021 we will double the volumes to 50 million in FY 2021-22.

We signed a very prestigious contract with Reliance owned Jio Platforms Limited ("Jio" or "JPL") and its affiliates, end of September 2020, to, license, customise, maintain and access our enterprise ecommerce software and payments platform for their business use.

I am happy to share that Jio Mart went live on our platform in March 2021. The base platform is the same as Government e-Marketplace platform, but it was customized for Jio's environment. As part of the overall contract, we can also offer payment solutions to Jio Platforms Limited. Jio is not just another customer for us, Jio is a market in itself, and there are various partnerships that we are exploring with the company. One such partnership is the consortium formed through our subsidiary SoHum Bharat Digital Payments Pvt Ltd ("SoHum") with Jio, and Jio's business and financial partners, Google and Facebook, to apply for retail payment license or payment network license from Reserve Bank of India.

Under our payment business, we signed a definitive agreement with one of the world's top bank, JPMorgan Chase Bank ("JPMC"), for its India business, to offer our flagship payment platform, CCAvenue, for processing transactions of its enterprise clients in India. Our entire portfolio of 200-plus payment options is integrated with JPMC in India. This relationship is particularly helpful, keeping in mind our plans to expand in the United States of America ("USA").

In the financial year 2020-21, we announced the launch of two businesses under the payments segment. First is the CCAvenue Payment Gateway Services business or CPGS business. Traditionally, our focus has been on merchants within the payment processing. As part of making Banks as our customers where we can process larger volumes of payments, irrespective of any payment gateway, we extended our scope of PG platform by doing backward integration in payment acquiring business by launching the acquirer processor services, to process cards for the banks.

We launched the CPGS services in Oman in September 2020 and tied up with two of the largest banks in Oman, namely Bank Muscat and Bank Dhofar to gain nearly 90% of the market share of processing online cards in Oman. We manage the entire technology from India. We will expand these services globally, starting from GCC region, and we will also partner with some banks in India. We have already contracted with Jio for this.

With this solution, we are now present on both sides of payment acquiring transactions, a front-end PG with 200 plus payment options, and a bank grade global back-end card processor, where banks are our customers.

The second new business which we announced to enter into was neo banking, credit cards and lending. For this, we acquired Cardpay Technologies Pvt Ltd in June 2020, based in Bengaluru. IAL, has a large merchant portfolio, over 2.5 million and this entire base are potential customers for offering lending services. We have already started a 100% secured lending business in September 2020 called Express Settlement service to settle merchant funds instantly instead of settling after T+1. Based on March 2021 run-rate we are at an annualised run-rate of offering lending worth ₹ 750 crore ($100 mn). We are targeting to double this to ₹ 1500 crore (US$ 200 mn) by the end of March 2022. Currently, we are using internal accruals to settle the funds.

The years ahead: future proofing the business

The Indian digital market is only 15%, with 85% still in cash. A whopping ₹ 29 lakh crore of cash remains to be digitized! There are so many verticals that are still not digitized, for example the entire medical payments system, over 1 million schools in India, nearly 50 million MSMEs, etc., and many new sectors that will open up in future for digitisation. Our company is focused on penetrating into this vast potential in India, and expand overseas.

Buoyed by our achievements in 2020-21, we are looking to process TPV of $28 billion in FY 2021, and we are already at that run rate based on our Q4 TPV run-rate. We have thus set our vision and target to process a TPV of $100 billion in the next three to four years.

In terms of the fintech platforms, the company does not just exist in the payment gateway where we have the maximum number of options in the country, but is much beyond, with the entire B2B platform, and the entire extension of the same platforms in multiple countries. Our other solutions, like Bharat BillPay gives us an edge over our peers, who are also not present in as many sub segments of the Payments and remittances as we are. Our custom solutions for the hospitality sector and our platform business, are unique to us.

We are at an annual run rate of processing ₹ 1.2 lakh crore to ₹ 1.3 lakh crore, or about $18 billion in payments in FY 2022. This is coming from two major geographical markets - India and UAE. Soon, we'll also see international markets like the Saudi and a few of the GCC countries and USA adding to this growth.

I am happy to share that Jio Mart went live on our platform in March 2021. The base platform is the same as Government e-Marketplace platform, but it was customized for Jio's environment. As part of the overall contract, we have also offered payment solutions to Jio Platforms Limited.

The digital sector especially fintech has strong tailwinds and is supported further with the government's Digital India initiative and RBI's initiatives to digitise payments in the country. The company has built strong fundamentals and has grown the fintech business every year over the past many years. We are building the business for the future for a more sustainable revenue and profits. The years ahead show a lot of promise in expanding across markets and reaching our goals.

The horizon: big, bold and omnipresent

We are big: our transactions volume and values speak big. More than ₹ 1 lakh crore of cumulative transaction processed in GeM, more than ₹ 1 lakh crore of payments processed, nearly 2 million merchants on GeM, nearly 1 million merchants across our payments stack. We have the ability to approach each country with this entire spectrum of products and solutions.

We are bold: Our digital lending arm lets us compete in the SME lending space, and we already have a network of merchants who are on our platform, use our payments solutions and are thus already in multiple relationship with us. We aspire to process $100 billion payments in the next 3-5 years. With the Government of India's eMarketplace and the Jio Platforms, we have two of India's largest online marketplaces using our platforms. If we win the NUE license it will allow us to compete globally at a very large scale positioning us alongside some of the top payment companies globally.

We are omnipresent: Overall if we look at our landscape, the company is going to have full-stack payments business, a comprehensive enterprise marketplace platform business, 1 million merchants across the payments stack, 2 million merchants across platform business, and all of these in multiple markets, domestic and international.

We are among the leading players in India with two decade of experience working with some of the top brands in the country that includes most of the airlines, most of the top hospitality companies, most of the top retail companies, telecom companies, exclusive with some of the top enterprises. We are also a leading payment company in the UAE. Some of the marquee companies in the UAE are our customers, world's tallest building At The Top-Burj Khalifa, top real estate companies namely Nakheel, DAMAC, Emaar, many retail and other brands. We are expanding in international markets, the GCC region namely Saudi Arabia and Oman, and the USA. Our future plans are to expand into many more geographies.

We look forward to capture a plethora of opportunities in the fintech sector in India and become a global player in this segment.

Regards

Vishal Mehta
Managing Director

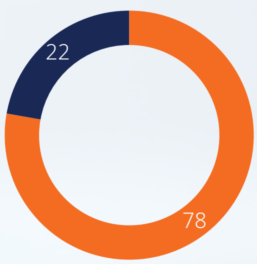
03

Review of Business

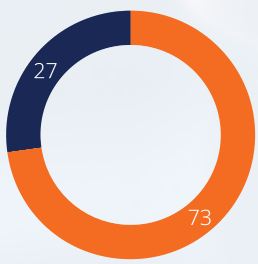
Payments and Platforms

The company offers comprehensive digital payment and enterprise software platform solutions. The digital payments portfolio consists of payment acquiring, payment issuance and remittances. We process online transactions for merchants across various industries in various sectors both in India and abroad. The company offers software platforms as a SaaS service to enterprises and also offer various value added web-services to merchants.

Revenue FY21



Revenue FY20



Digital Payments   Platforms

Multi-Capability Matrix

Powering Infinite eCommerce

Enabling merchants’ online journey through comprehensive technology solutions

eCommerce platforms

Tech infrastructure offered	Multi-tech solutions	Multi-merchant target
• eCommerce infrastructure – Marketplace platform, domain, cloud, 3P capability, VAS	• GeM & Jio Platforms • BaB-E	• SMEs • Large Enterprise

Digital payments

Tech infrastructure offered	Multi-tech solutions	Multi-merchant target
• Payment acceptance infra – India and International	• CCAvenue + BillAvenue + ResAvenue • B2Biz • CPGS	• Merchants across industry verticals • Corporates • Banks

Neo banking, cards, lending

Tech infrastructure offered	Multi-tech solutions	Multi-merchant target
• Payment issuance infra	• Go Payments	• SMEs and Corporates

Assisted services

Tech infrastructure offered	Multi-tech solutions	Multi-merchant target
• Cash digitization infra	• Go Payments	• Agents and Merchants

Cross border payments

Tech infrastructure offered	Multi-tech solutions	Multi-merchant target
• Remittance infra	• Fable Fintech	• Banks • Consumers

Value added Solutions

dot-triple-'O'
.ooo
the power domain

ooo domain infrastructure services for enabling merchants’ digital onboarding journey.

Odigma

Full-service digital marketing agency to serve small and large enterprises in India.

Tier III high speed compute and storage data center with blockchain capability at GIFT City.

Digital Payments

CCAvenue® Payment Acquiring

Infibeam Avenues is among the market leaders in India in the Payment Acquiring segment with "CCAvenue Payment Gateway" for merchants, card processing platform "CCAvenue Payment Gateway Services" for banks and "B2Biz" payment solution for enterprises.

The key products/solution offerings are

The payment platform, CCAvenue payment gateway (PG), is offered to ecommerce merchants to collect payments online from their customers. The PCI-DSS Level 1 certified PG offers more than 200 payment options including 50+ net banking options, all the top credit card options, 100+ debit cards, highest number of wallet and EMI choices, UPI, pay later and other payment options in a single integration with multi-currency and multi-lingual capability in India. Internationally too, The Company's PG solution offers most of the available local payment options and variety of features and services to merchants. The Company's PG solution is offered to merchants in India, UAE, Saudi Arabia, Oman and the USA. The gateway services are backed by highly robust security systems. CCAvenue is among the top online PGs in India and in the UAE. CCAvenue caters to majority of the top marquee clients across various industry segments with a growing merchant base both domestically (India) and internationally. The company also offers its payment gateways to banks as a white label solution, having some of India's largest and leading private sector banks (HDFC Bank & Kotak Bank) and one of world's largest bank (JPMC Bank India) as its white-label customers.

CCAvenue Payment Gateway Services (CPGS), is a card processor offered to acquiring banks and acquiring financial institutions globally, where the company's solution validates and authenticates online card payments for the banks and financial institutions of its online card customers.

Our marquee clientele

No. 1
In India[1] & UAE[2]

₹95,180 Crore
Annual TPV

155 Million
Annual Payments Volume

75%
5 year TPV CAGR

[1] Most profitable fintech company in terms of consolidated EBITDA and PAT margins in India
[2] Among non-bank unfunded private payment companies

Digital Payments

BillAvenue® Bill Payments

The company is among select non-bank private players licensed by the RBI to operate as a Bharat Bill Payment Operating Unit (BBPOU).

Built on the Bharat Bill Pay System (BBPS) infrastructure, BillAvenue platform is a one-stop platform for all recurring bill payments services to customers across India through a single window. It covers repetitive payments of all types like electricity, telecom, DTH, gas, water bills, insurance premium, loan repayments, Cable, FasTag recharge, Education fees, credit card, municipal taxes, subscription fees, etc.

BillAvenue Volume (Million)

FY21	25
FY20	8

Bharat BillPay Volume (Million)

FY21	276
FY20	146

+166%
FY21 revenue

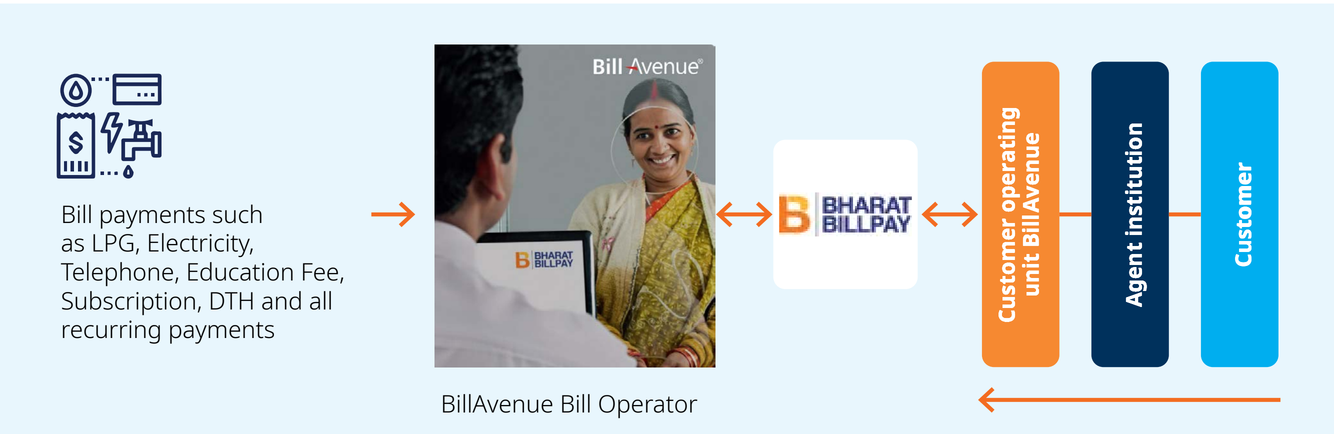
90%+
market share of total billers on BBPS

650,000+
Agent network

18,000
Billers

2,500+
Indian cities & towns

BillAvenue Process Chain



Among the Marque Clients (Billers Onboard)

Digital Payments

ResAvenue® Hospitality Solutions

ResAvenue platform, is a website booking engine and channel manager for hoteliers to sell and distribute hotel room inventory across various sales channels, online & offline, which is integrated with the Company's payment gateway. Due to the pandemic and ensuing lock downs and travel restrictions this segment had a subdued performance in FY21.

ResAvenue: Process chain

2,500+

Hotels in India and UAE

1,000+

Room nights booked everyday

Marquee clientele

Fintech Portfolio Investments

Infibeam's strategy is to offer a complete bouquet of technology solutions, platforms and payments to simplify customers' online journey. As part of this portfolio expansion strategy, the company has been investing in fintech companies to leverage on the proven technologies and to integrate, build and expand the existing digital payment capabilities.

Fintech Portfolio Investments

Domestic Remittance, Neo Banking, Cards & Lending

The Company increased its stake to 53.4% from 48% earlier in Instant Global Paytech Pvt Ltd., branded as Go Payments, and now has a controlling stake. In FY21, Go Payments expanded its portfolio of services from domestic remittance and assisted payments to offer Neo Banking, Digital Cards (Credit and Prepaid), and lending to MSMEs and Corporates to grow the financial inclusion to the last mile in the country.

Go Payments currently offers domestic money transfer (DMT), mobile recharges, bill payments, cash collection, prepaid cards, travel booking, insurance, and more to un-banked, under-banked and under-served population in India.

Target customers: B2B- Corporates, MSMEs and Govt. organizations

With a large and growing merchant base using company's various fintech solutions, the company is in a position to understand their cash flows and credit worthiness. This strength can be used to play a major role in serving the MSMEs and Corporates with digital lending services. The company is also uniquely positioned to issue loans and collect money in an efficient and cost-effective manner. The offerings in this emerging area for MSMEs and Corporates are:

- Neo-banking services
- Secured lending
- usiness loans
- Corporate credit cards
- Prepaid cards for corporate employees
- Value added services like spend management, accounting automation, reporting, analytics, and more

Cash to Digital

Go Payments also empowers unbanked and underbanked to access digital financial services such as money transfer, recharge, travel booking, pre-paid cards, insurance etc.

30,000+
Agents

$ 1 Billion+
Annual TPV run-rate*

* Based on Q4 FY 2020 run-rate

Fintech Portfolio Investments

International Remittance

Fable

Fable Fintech (Fable) offers remittance technology platform for cross border payments to banks, businesses and exchange houses as a one stop platform to launch remittance services.

Infibeam has an investment, 16.7%, in Fable to capture remittance market globally. In May 2021, the Company participated in Series A fund-raising round of Fable Fintech along with many other marquee investors to unlock the fintech potential of banks across the globe.

For the future, apart from foreign expansion, Fable is creating an innovation for banks to offer neo banking for expatriates, participation in the NUE along with Infibeam, offering core treasury products, cross border ecommerce payments, and more. Fable projects that, "*One in every 4 dollars going cross border would be touching or using a platform from the Fable Family*".

Fable has been growing at a CAGR of 85% over the last five years. The company aims to make a profit shortly with a predicted annual rate of return of 30%.

Going forward Infibeam through this investment expects to gain revenue growth from the global remittances segment and increase shareholder wealth.

The end to end plug and play bank grade cross border remittance platform can be white labelled for banks with blockchain technology to launch cross border payments.

Today, Fable caters to nine out of 10 top private sector banks in India including HDFC Bank, IDFC First Bank, Canara Bank, etc. In addition, Fable's platforms are also used by clients in Kuwait, Bahrain, Qatar, UK, Singapore, Bangladesh and Canada.

The offerings in this segment include:

International remittance platform offered to banks and financial institutions with blockchain technology (P2M) and to consumers (P2P) for both inward and outward remittances across various corridors globally.

Opportunity Spectrum

'Global cross-border payment flows, currently growing at 5% (CAGR), are expected to reach US $156 Trillion by 2022', as per an EY Report.

In 2020, the top five recipient countries for remittances inflows in current USD were **India** (83 billion), China (60 billion), Mexico (43 billion), the Philippines (35 billion), and Egypt (30 billion) (ibid.). India has been the largest recipient of remittances since 2008. India received **over USD83 billion** in remittances in 2020.

$ 11 Billion+
Remittance flows globally

9
Of the top 10 private banks of India

30+
Sent Countries

65+
Receive Countries

150+
Corridors Serviced

Partnered with leading players in India

HDFC BANK We understand your world

ICICI Bank

kotak Kotak Mahindra Bank

RBL BANK

Paytm

airtel Payments Bank

Emerging Businesses

CCAvenue Payment Gateway Services (Enterprise Payments)

CCAvenue Payment Gateway Services (CPGS) is an on-premise and SaaS based global payment solution to process cards of various payment networks such as Visa, Mastercard and Amex for financial institutions.

Business highlights

- Launched in Oman in Sep'2020
- Partnered with Bank Muscat (largest bank) and Bank Dhofar (second largest)
- Secured 90% of Oman's online card market share
- Offered to Jio Platforms in India (now Live)
- Hosted from India
- Multiple revenue streams: per transaction, set-up fee and more

Growth drivers

- High volume business
- PG agnostic
- Per transaction fee; No pass thru
- Assured growth as digital transactions increase
- International expansion
- Controlled from India; cost advantage

Total addressable market

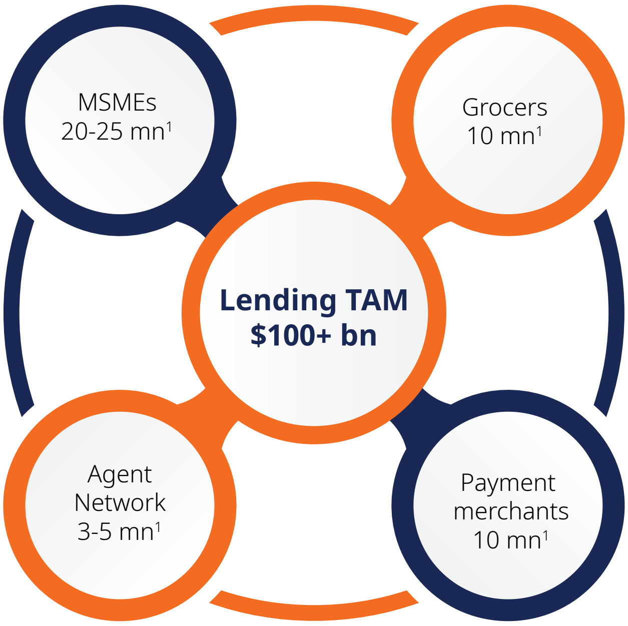
- International expansion
- High volume of all online transactions per institution onboarded

Emerging Businesses

AI-driven Digital Lending

Lending will be the next frontier of revenue and margin growth

Provide lending as an enabler to merchants by offering credit algorithm, credit platform, frameworks and merchant database to Banks and NBFCs



3+ million merchants across portfolio, avg. 1500+ merchants activated daily in Q1 FY2022

Potentially **addressable merchants >50 million** across the fintech portfolio

Express Settlement crossed $ 50 million in Q1; at 2x the run-rate projected for FY2022

Lending to increase in next five years; express settlement, working capital, and more

Started investment, **to enable credit/lending** thru NBFCs from Q1 FY2022

[1] Potentially addressable merchants through our fintech offerings

Business highlights

- To launch data-driven lending through strategic tie-ups with Banks & NBFCs to capitalise on growing clientele (3+ million currently)
- Will be an asset-light & digital-only model, targeting existing merchants across company portfolio including in the factoring (bill discounting) business
- No credit exposure
- Started investment in building the platform

Growth drivers

- Large un-served / under-served MSMEs in India
- Large number of merchants coming online generating significant and rich credit worthy data for lending purpose
- 3 million+ merchants across Company's platforms will grow as thousands of merchants are being onboarded everyday due to mass digital adoption

Total addressable market

- Significant credit gap for MSMEs in India, above $300bn+, as per World Bank estimates
- Recent passing of factoring law amendments, enable over 9,000 NBFCs to participate in the factoring (bill discounting) market from 7 now
- 12-15 million digital merchants currently, could expand to 40-50 million by 2030, as per company estimates, due to the growing digitisation and macro support

Digital Payment Capabilities

Onboarding Banks Globally:
Onboard banks globally to process card schemes; backward integration in payments acquiring

Neo-banking:
Neo Banking digital lending and card issuance through secured or low-risk business model

200+ Payment Options:
200+ payment options including multi-currency and multi-lingual capability

Onboarding in 24 hours:
Merchant onboarding in less than 24 hours

Transaction Management Capabilities:
Transaction Management capabilities to view analytical reports, authorize & refund transactions and manage disputes

Customizable Payment Collection:
Through Payment Link via email, SMS, WhatsApp etc. with end to end automation for collection through payment links

India's Largest:
India's largest online EMI engine with 15+ banks' EMI options

Risk Management:
Track merchant & customer fraud, with negative database of 18 years and DIY tools for velocity checks and blacklist controls

Automated Settlement Processes:
Fast and automated settlement process with option for single settlement & split settlements

End to End Automation:
APIs available across platform to automate end-to-end PG implementation; transaction processing to settlement recon

Multiple Platform Integration:
Simple and ready integration with multiple platforms which can enable merchants to accept payments in a few hours

Merchant Identification Code:
MID code is designed to recognize the merchant interacting with the processor and additional parties.

Platforms

Enterprise Marketplace Software Platform

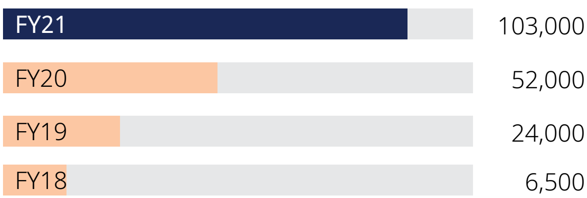
The company offers customised ecommerce marketplace platform enabling large enterprises to build highly scalable ecommerce businesses. This is a cloud-based, business-to-business (B2B) platform allowing corporates to transact online, manage the back-end (orders, inventory & logistics), make digital payments, undertake online marketing & offer various value-added-services.

This platform is offered to many large enterprises in India and internationally. One of the key customers includes Government of India's e-marketplace portal, GeM, being offered a customized ecommerce platform as part of their initiative to digitize their entire procurement and tendering processes. More than 2 million merchants have registered on GeM portal to sell various products and services to the government.

Key Highlights:

- Government and PSU procurements is 13-15% of India's GDP
- Among the largest online platform on Government Procurement
- Indian Railways, Defence, CPSE and more to be integrated
- GeM is targeting to double the GMV in FY22

GeM Cumulative GMV (₹ in Crores)



+53%

GeM revenue growth, YoY

The company has also recently tied up with one of India's largest private sector organisation Reliance's Jio Platforms Limited (JPL) and its affiliates to offer the eCommerce marketplace platform customised for their business use. The platform is already live and being used by JPL for Jio Mart having 3P capabilities.

Marquee clientele

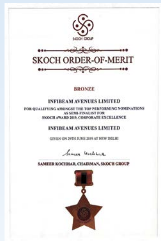
"GeM is among the top 5 government e-procurement platforms worldwide and will soon be among the top 3 globally"

Shri P.K. Singh, CEO-GeM (DigiTech Conclave 2021)

Awards

Best BFSI Brands 2021
The Economic Times Best BFSI Brands Summit 2021

Best Digital Payment Processor
India Digital Summit 2020, by IAMAI



Best Technology Platform
SKOCH Award: Technology deployment for Government Projects & Digital Platforms.

CCAvenue recognised as Superbrand 2019
Superbrands India

Best Workplace of the Year
Employee Experience & Engagement Awards 2019, by Transformance Forums

Digital Payment Facilitator - Category Leader
REACH Acceptance Summit 2019, by Mastercard

Ranked 418 in FT1000 High Growth Companies Asia-Pac 2018
Financial Times and Statista Awards 2018

Most Innovative Online Payment Service Provider
Global Business Outlook Awards 2019

Game changing idea of the year
ET Retail Awards

The Decade Awards 2020
Payments Enterprise of the Decade

Most Innovative Payment Service Provider & Fastest Growing Online
Payment Service Provider (U.A.E)
International Finance Awards 2019

Best Online Payments Facilitator
MEA UAE Business Awards 2019

04

Board’s Reports

Management Discussion & Analysis

ECONOMIC ENVIRONMENT

Global macroeconomic scenario

As per the world economic outlook, April 2021, global growth is projected at 6% in 2021, an upward revision in earlier growth projections powered by vaccine-driven recovery and additional fiscal support in major economies across the globe. This growth rate is after an estimated contraction of 3.3% in 2020, which was slightly better than expected, driven by growth in the second half of 2020.The growth expectation for 2021 is shrouded in uncertainty, as economies across are at various pace of recovery, and the virus, vaccination and resumption of economic activities are divergent across the globe.

(Source: IMF, April 2021)

Indian economy

The Indian economy is looking at a V-shaped recovery after the pandemic induced contraction in FY 20-21. The annual GDP growth rate is estimated at -7.3% for FY 20-21, an upward revision from the -8% estimated earlier. A strong policy committing to infrastructure and construction spend, gradual unlocking across states, and a resumption in private consumption contributed to the recovery in the later quarters of the fiscal year. A devastating second wave of Covid hit the nation, that is showing signs of decline due to ongoing efforts of 'Test, Track, Treat' and vaccination efforts underway across the nation. About 35 crore doses of the vaccine have been administered as of early July 2021.

Post the decline of the second wave, high frequency indicators such as power consumption, e-way bills, foreign inflows, have all shown an uptick in the second half of May 2021. Agriculture and MGNREGA employment numbers are encouraging, while there is a sequential slackening in other eight core industries. CPI inflation lowered in April 2021 as compared to both March 2020 and March 2021. Exports grew, money supply increased and financial conditions are conducive to an economic recovery. As the nation moves into the second quarter of FY 21-22, a fast paced vaccine-led recovery will aid the momentum of economic recovery.

India is taking all the measure to increase availability of vaccines and increase the vaccinated count across the country. A record number of vaccinations were given to the Indian population between April 1st to June 30th. From 4.1% population vaccinated with one dose by 31st March, this has increased to 20% by 30th June.

(Source: Department of Economic Affairs, May 2021)

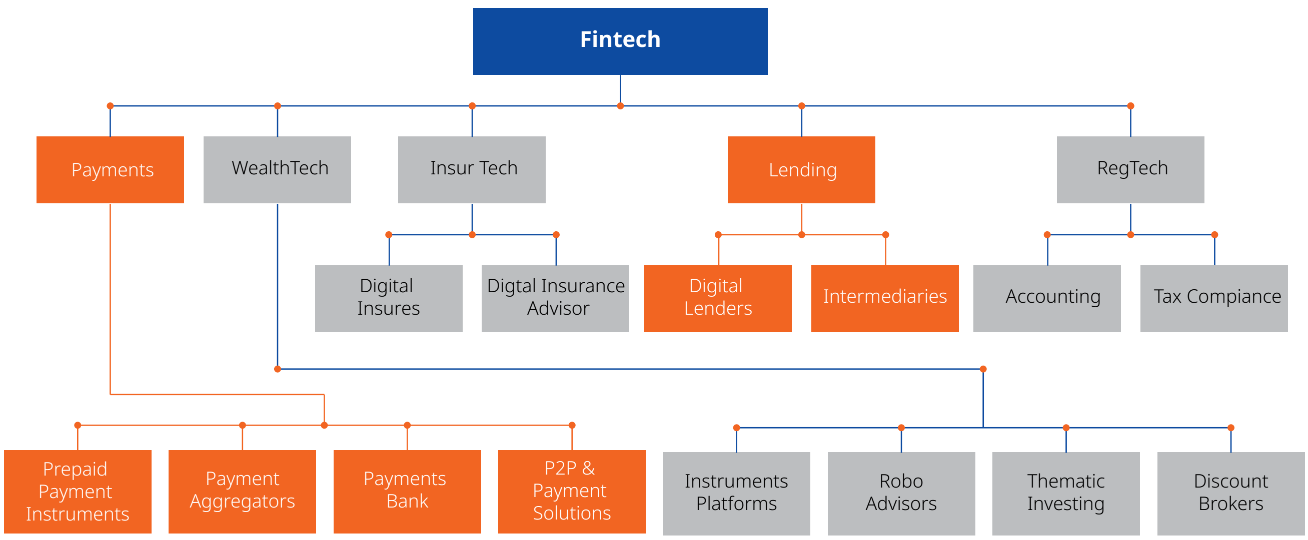
FINTECH INDUSTRY INSIGHTS

Representing a combination of the words finance and technology, the fintech sector has become a mainstream buzzword post the Covid pandemic. Fintech can take the form of software, service, or a business that provides advanced ways to make financial processes efficient and easy for users. While the sector started in the 1990s, the Global financial crisis of 2008 and the Covid pandemic have both shaped the ecosystem of fintech.

Where is the world at, in adoption of fintech?

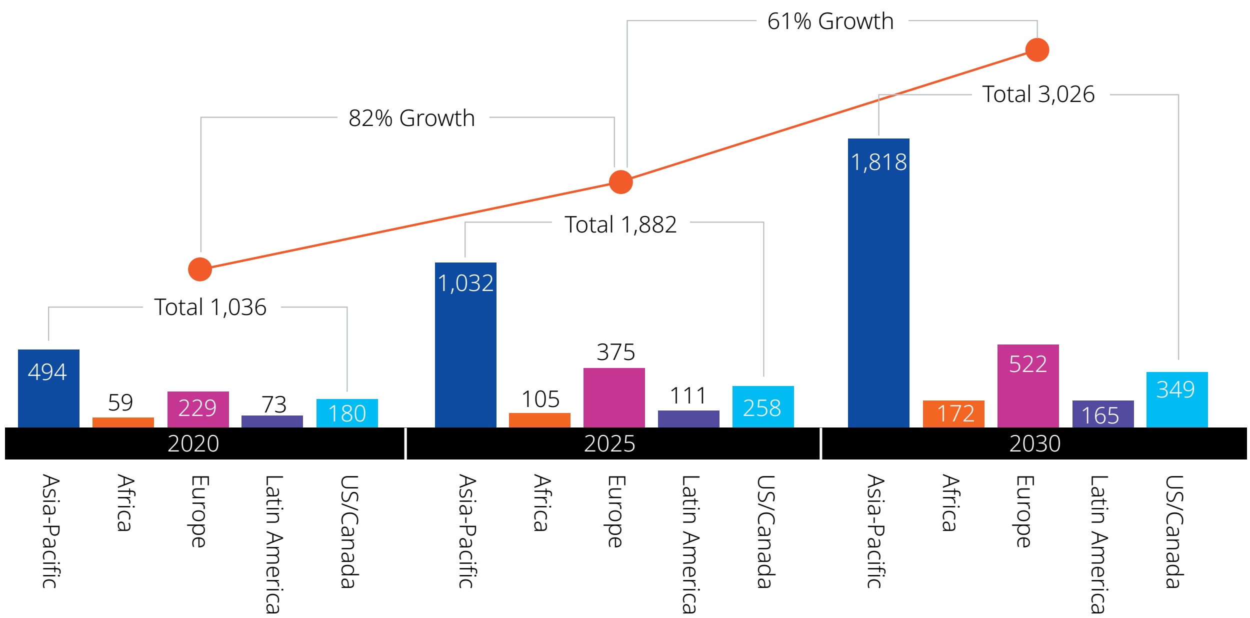
Globally, 64% of the digitally active population has used at least one fintech service, as of the beginning of 2020. India and China lead globally, with 87% fintech adoption rate in a survey of 27,000 customers across 27 markets in 2020, and this was pre-pandemic. The pandemic accelerated fintech adoption, primarily in the digital banks, payments and remittances segment.

(Source: https://www.visualcapitalist.com/current-fintech-industry/)



Cashless Transaction will be more than double by 2030

(In the graph : Number of cashless transactions in billions)



A steady shift to digital payments across the globe is happening, and it is predicted that cashless payments will increase by more than 80% from 2020 to 2025. Transaction volume is predicted to go from 1 trillion to 1.9 trillion during the same period, as per research by PWC and Strategy &. Asia Pacific is the highest in growth expectation, with 109%, followed by Africa at 78%, Europe at 64%, Latin America at 52%, and the US and Canada at 43%.

The fintech markets in the US are more mature than in other parts of the world, and Asian fintech companies can contribute by providing services and solutions that can be integrated or acquired by the more mature providers. The Middle East countries are rapidly adopting open banking, cloud adoption, and international payment optimization. The Gulf Cooperation Council, comprising of the Kingdom of Saudi Arabia (KSA), United Arab Emirates (UAE), Bahrain, Kuwait, Oman, and Qatar plays a key role in regulating the payments economy. Consumers are now looking for payment dexterity, which is, receiving and accepting payments on their own terms.

Global Fintech Index numbers show that at the start of 2020 there were:

65
Countries

230+
Cities

7,000
Fintech Companies

It is estimated that by 2022, 60% of the global GDP will be digitized

(Source: findexable.com)

Fintech is flush with funding

The fintech industry is growing, with a number of startups disrupting the way business financial transactions are done, payments made, and financial services offered and consumed. As per CB Intelligence Insights, the Fintech 250 2020, a global cohort of top companies in the fintech segment, raised approximately $49 billion in aggregate funding since 2015. H1 of 2020 saw a big slowdown in funding activity and deals, however things picked up significantly in H2 of 2020.

(Source: various research articles)

In Q1'2021, globally, fintech startups raised $22.8 billion across 614 deals, more than double of the funds raised in the comparative Q1'20.

Q2'2021 was even bigger, with 657 deals and $30.8 billion funding globally. South American fintechs led in both number

Digital payment industry	Key product segments expected growth				
			FY21E	FY26E	CAGR
CAGR 27%	Online PG aggregator market	$ Bn	175	550	26%
₹ 2,153 Tn ($ 29 Tn) in FY20 → ₹ 7,092 Tn ($ 97 Tn) in FY25	Mobile Payments *	$ Bn	340	3,333	58%
	Digital Payments users	No Mn	175-200	400	18%
	Digital Merchants	No Mn	15-20	30-35	15%

USD 1 = INR 73.50

Sources: Redseer, Infibeam Research

** Reedseer (FY20 to FY25)*

of deals and funding value, and the average deal size grew from $37 million in Q1'21 to $47 million in Q2'21.

The funding story in India is also positive, and Indian fintech firms have also received about $10 billion funding in 2020, according to a report by IVCA and Bain & Company.

With Covid-19 driving contactless payments and remote consumption of services across industries, including banking and financial industry, fintech is witnessing a paradigm shift. Human beings are creatures of habits, and if the technology is convenient, easy to use, has intuitive interface and gets the job done, then it is likely to become habit-forming, and stay.

Fintech in India

With 87% fintech adoption rate as mentioned earlier, India has the second highest number of fintech startups after the US (excluding China). Especially after Covid-19, there has been a growth surge in fintech.

As per Findexable's rankings, India ranks 15th globally in Fintech, and two of its cities, Mumbai and New Delhi are in the top 20 cities in terms of Fintech city rankings. The strengths listed are payments and remittances, personal finance and lending equity funding.

Of India's 50+ Fintechs with more than $100 million valuation, there are 5 InsurTechs, 4 Wealth and broking Fintechs, 8 SaaS Fintechs. Growth is expected in UPI, with major changes happening in the Payments space. Neo-banks are also emerging as a key trend, and over 15 of them are in development or beta stages currently. The fintech companies are also witnessing a big boom with partnerships from private banks looking to digitize their services and disrupt their service deliveries.

The Indian fintech (Payments & Wallets) market was valued at ₹ 2,153 trillion ($29 trillion) in FY 2019-20 and is expected to grow to ₹ 7,092 trillion ($ 95 trillion) at a CAGR of 27% for the next five years to FY2024-25. (Redseer)

The choices available to the consumer for payment options fall into three categories. One is credit options, the second is debit options, and third one is cash. Credit options largely includes card-based payment transactions through Visa, Mastercard, American Express, etc. Debit options include the debit cards, internet banking wallets, UPI, etc. A majority of the interventions and innovations have taken place in India around debiting the bank account, primarily because India is a debit economy, unlike most parts of the world where credit options are widely used.

While digital transactions have increased manifold in India over the last five years, cash continues to remain the king and non-cash transactions are still in its low-teens India. This presents a great opportunity for us in the digital payments and eCommerce solutions space. Demonetization was the first booster for the growth of digital payments in India. COVID has been another catalyst for the growth of the industry. Referring various institutional research, there are only about 150 million to 175 million digital users in India, and about 15% to 18% of payments are only digital. This provides a large headroom for growth of the industry. We are positioned advantageously to capture this opportunity on account of the wide portfolio of fintech offerings that we offer to our merchant clients and due to the brand value Infibeam Avenues has built in the market being the first retail payment gateway and first eCommerce marketplace platform provider in India.

Structural and secular trends are driving digital payments market growth, resulting in exceptional momentum in payment business in India. Consumers, businesses, banks, governments are all adopting digital mode for business and digital transactions have increased by 3x-4x in the last five years, growing at a CAGR of over 50%.

Key drivers of the payments industry are evolving customer needs, the governmental and regulatory push for innovation, emerging technologies and increased competition. Some of the trends observed in the industry include contactless payments being prioritized, businesses going the omnichannel route, embedded fintech across industries, consumers looking for value beyond the payment transaction and financial inclusion.

Specifically talking about the opportunities in the payment gateway space, the payment gateway / aggregator market is expected grow at 19% CAGR from the estimated ₹ 9.5 trillion ($130 billion) in FY 2020 to an estimated ₹ 22.6 trillion ($309 billion) by FY 2025, as per Redseer.

Current low penetrations and sticky base will aid growth for the established payment gateways, and for those who can also offer various value-added services. As per Bank of America Global Research the payment gateway is the most lucrative market for growth. As per them, in the next five years, transacting users will increase to 440 million from 160 million users, and an additional 10 million merchants will go online.

There are 70%-75% of the 65 million MSMEs that are still offline, while 30% of Indian MSMEs are expected to transact digitally, compared to low- to mid- single digit active today, as they see more growth and success through the digital model. Based on the ongoing growth and expanding addressable market over the last few years, there is a greater degree of opportunity and many areas within the payments that can now be addressed with the company's growing merchant clientele across the fintech platforms.

KEY DRIVERS OF FINTECH INDUSTRY

A massive population, burgeoning middle class, and huge underserved sections of society form the backdrop of the Indian economy. Within fintech, the payment industry witnessed a huge transformation, and all the key players and stakeholders have been evolving, shifting traditional platforms and services to cater to the newly digitized world.

1.30 Billion + consumer population

India's rapid economic growth has set the stage for fundamental change in consumption and consumer behaviour. The same energy that has lifted hundreds of millions of Indians out of poverty is now creating a massive middle-class, across metropolitan and tier 1,2 and 3 cities. If India continues on this growth trajectory, the average household income will triple over the next two decades, and we will move from being the world's twelfth largest consumer economy now to the fifth largest by 2025.

Increasing use of smart phones and internet

- There were 1.10 billion mobile connections in India in January 2021.
- The number of mobile connections in India increased by 23 million (+2.1%) between January 2020 and January 2021.
- The number of mobile connections in India in January 2021 was equivalent to 79.0% of the total population.
- Internet users in India is expected to reach 900 million by 2025 from 622 million in 2020.
- The number of internet users in India increased by 47 million (+8.2%) between 2020 and 2021. internet penetration is projected to increase to 65% in 2025 compared to 45% in 2020 (Source: IAMAI and Kantar Research)

Social Media Usage is Accelerating E-tailing

- There were 448.0 million social media users in India in January 2021.
- The number of social media users in India increased by 78 million (+21%) between 2020 and 2021.
- The number of social media users in India was equivalent to 32.3% of the total population in 2020 which will double by 2025.
- With an explosion in digital marketing, social media usage is influencing and accelerating etailing across the globe, including India.

The rise and rise of e-tailing: from food delivery, to clothing and retail, from groceries to luxury items, electronics and furniture, the commerce of online shopping and delivery has grown exponentially in the last few years and is a key driver of digital payments.

- Leading online stores
- $200 Billion market by 2025
- 350 Million + online shoppers by 2025

Government and regulator initiatives: Government programs and sponsorships that have (positively) impacted fintech space are – Unified Payments Interface (UPI), Jan Dhan Yojana, Startup India, License for payment banks, Regulatory sandbox by RBI, National Common Mobility card etc.

- **India stack**: are a set of APIs that allow governments, businesses, startups, and developers to utilize a unique digital infrastructure to solve the country's problems towards presence less paperless and cashless service delivery.
- **Cost of operations**: lower costs are usually go hand-in-hand with technological innovations and eventually reduce servicing costs and distribution costs to customers
- **Technological advancements**: the rise of mobile usage for banking and financial transactions and its mass adoption is a big driver. The entire user experience is being continually disrupted in the fintech space.
- **Adoption of technology by banks**: the collaboration between banks and technology startups is a key driver of fintech growth.

SMEs/MSMEs

- SMEs and MSMEs are also on an accelerated journey of taking their products and service offerings from offline to online model.
- There are 60 Million SMEs in India, and this number is expected to go up by 70 Million by 2025
- From 46% of merchants using PG, UPI and POS, the use is expected increase to 65% by 2025.

Covid Impact

- 50% customers shifted online for general store first products

(Source: RBSA advisors – the Fintech Industry in India, February 2021 and others)

REVIEW OF PERFORMANCE

Operational performance

Infibeam signed a very prestigious contract with Reliance Industries owned Jio Platforms Limited ("Jio" or "JPL") and its affiliates, end of September 2020, to, license, customise, maintain and access our enterprise ecommerce software and payments platform for their business use. Jio Mart platform is live on company's ecommerce marketplace platform since March 2021.

The company launched payment services business in Oman in September 2020 to process cards for banks. This has allowed Infibeam to make Banks as their customers. The company tied up with two of the largest banks in Oman, namely Bank Muscat and Bank Dhofar to gain 90% of the market share of processing online cards in Oman. The entire technology and support will be managed from India. This service will be expanded globally, starting from the GCC region. The company will partner with banks in India as well. This service has also been offered to JPL for its business use.

Infibeam through its newly formed subsidiary, SoHum Bharat Digital Payments ("So Hum") applied for a Retail Payments license from India's Reserve Bank of India (RBI) along with consortium partners JPL, Google & Facebook to drive payments globally. This allows Infibeam to be present at the top of the value chain of Digital Payments.

The Company's payment gateway business signed a definitive agreement with one of the world's top bank, JPMorgan Chase Bank ("JPMC"), for its India business, to offer company's flagship payment platform, CCAvenue, for processing transactions of its enterprise clients in India. The PG will be offered as a white-label solution to JPMC.

The company will soon launch neo (digital) banking and lending business through syndication with various lenders. Infibeam's large number of merchants portfolio, nearly 3 million, and growing, are the potential customers for offering lending services. In the lending space, the company has already started Express Settlement of merchant funds. The lending through express settlement is at a run-rate of about ₹ 750 crore (US$ 100 million) a year based on the run-rate of March 2021. Later, the company will also offer virtual and physical cards, and business loans to the SMEs and corporates.

Financial performance

Critical Accounting Judgments

The consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The significant accounting policies, involve the use of estimates, judgments, and assumptions that are significant to understanding our results. For additional information, see Note 1-4 of consolidated financial statements. Although we believe that our estimates, assumptions, and judgments are reasonable, they are based upon information currently available. Actual results may differ significantly from these estimates under different assumptions, judgments, or conditions.

Taxes

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

Estimate and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Standards issued but not yet effective

There are no standards that are issued but not yet effective on March 31, 2021.

Financial performance review (consolidated)

The discussions in this section relate to the consolidated financial results pertaining to the year ended March 31, 2021. The financial statements of the company and its subsidiaries are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements.

Consolidated financial performance

A. Analysis of Revenue

1. Revenue from operations

(₹ in mn)	FY21	FY20	Change
Operating revenue	6,760.35	6,327.16	6.8%

Revenue grew from ₹ 6327.16 million in FY20 to ₹ 6760.35 million in FY20. The growth is aided by both higher number of transactions and higher value of transactions for payment processed. Details are given below:

	FY21	FY20	Change
Volume of transactions processed (Nos. mn)	181	155	17%
Value of transactions processed (₹ in bn)	1394	853	64%

Our Fintech offerings are in four broad buckets and bucket-wise generation of revenue has been as follows:

Revenue from operations (₹ in mn)	FY21	FY20	Change
Payment acquiring	4771	4741	0.6%
Remittances	462	Nil	
Software platforms	1528	1586	-3.7%
Total operating revenue	**6760.40**	**6327.10**	**6.8%**

The increase is mainly attributable to

- Higher utilisation of Payment Gateway
- Increased transactions in Government e Marketplace (GeM)
- Payment's expansion internationally (UAE)
- New businesses launched in FY21 (CPGS, Neo Banking, Credit & prepaid cards, Lending through express settlement)
- Higher transactions in Bill Payments, Remittance & assisted commerce (Go Payments)
- New relationships with Jio Platforms, JPMC India, Bank of Muscat besides few others.

Our Fintech offerings can be further analysed from the following perspectives:

Perspective	Revenue from operations (₹ in mn)	FY21	FY20	Change
Geography	India	5,785	5,396	7.20%
	Abroad	975	931	4.72%
	Total	6,760	6,327	6.8%
Business	Payments	5,232	4,741	10.53%
	Platforms	1,528	1,586	-3.65%
	Total	6,760	6,327	6.8%

2. Other income

(₹ in mn)	FY21	FY20	Change
Other income	100.20	116.60	-14.1%

The change is mainly on account of interest income on fixed deposits and short-term investments in Mutual and Liquid funds.

B. Analysis of Expenses:

1. Payment gateway processing charges

(₹ in mn)	FY21	FY20	Change
Payment gateway processing charges	4,427.30	3,963.80	11.7%
% of Revenue	65.5%	62.6%	

It primarily consists of costs incurred in operating online payment gateway with a real-time transaction validation process. Processing charges as a percentage of Revenue may vary due to several factors, such as our level of productivity and accuracy, changes in volume and size. We have reported processing charges of ₹ 4427 million in FY 2021 as against ₹ 3964 million in FY 2020. The Payment gateway processing charges as a % of Revenues has increased by around 3% mainly due to relatively lower payment processing of Entertainment & Hospitality, Hotel, Travel and Aviation industry which was affected in Covid period during the last financial year.

2. Employee benefits

(₹ in mn)	FY21	FY20	Change
Employee benefits	615.30	532.30	15.6%
% of Revenue	9.1%	8.4%	

Employee benefit costs primarily consist of cost of salary and other terminal benefits like, gratuity, provident fund contribution etc. along with cost of compensation of stock options issued to various employees. Our primary cost comprises of Technology costs to carry out research and development activities. Our prime requirement of employees is in various technological segments like application, production, design, maintenance, operation, and platform development for new and existing products and services and other technology infrastructure. We seek to invest efficiently in several areas of technology development so we may continue to enhance the customer experience and improve our process efficiency through rapid technology developments while operating at an ever-increasing scale. We expect spending in technology cost to increase over time as we continue to add employees and technology infrastructure.

15.6% increase in employee cost during FY 2021 is because of annual increments and recruitment of new employees to take care of growing business.

Category of employees and Revenue generation per employee

Category		FY21	FY20	Change
Technical	*No.*	266	328	-19%
Marketing	*No.*	96	65	48%
Administrative	*No.*	34	36	-6%
Support	*No.*	110	121	-9%
Others	*No.*	136	131	4%
Total employees	*No.*	642	681	-6%
Operating revenue for the year	*₹ in mn*	6760	6327	7%
Revenue generated per employee	*₹ mn*	10.53	9.29	13%
Employee benefits for the year	*₹ in mn*	615.3	532.30	16%
Cost per employee	*₹ mn*	0.96	0.78	23%

3. Finance Costs

(₹ in mn)	FY21	FY20	Change
Finance costs	36.56	42.42	-13.7%
% of Revenue	0.5%	0.7%	

Finance cost have come down mainly aided by free cashflows and repayment of existing term loan as per the agreed terms of the bank.

4. Depreciation and Amortisation

(₹ in mn)	FY21	FY20	Change
Depreciation and Amortisation	750.60	873.3	-14%
% of Revenue	11%	14%	

There is a decrease of 14% in Depreciation and Amortisation as compared to previous year primarily due to revision of useful life of certain intangibles including those acquired on Amalgamation based on the technical evaluation. As a result of this change in estimated useful life, the life of said intangibles assets got extended. Consequently, the amortization for the year ended on March 31, 2021 has decreased.

5. Other expenses

(₹ in mn)	FY21	FY20	Change
Other expenses	299.3	319.50	-6%
% of Revenue	4%	5%	

Decrease of other expenses by 6% in FY21 is mainly on account of

- lower expenses in terms of Sales and Promotion, Advertisement expenses, Travelling and Service charges in view of Pandemic situation during the year &
- reduction in Web Hosting & Web servers support expenses due to effective captive consumption of Data Center which was partially offset by increase in
- legal & Professional expenses for share capital increase, corporate action fees and other related compliances on account of issue of bonus shares during the year.

Share in net profit / (loss) of associates

(₹ in mn)	FY21	FY20	Change
Share in net profit / (loss) of associates	86.20	527.80	-83.7%

Share in net profit / (loss) of associates is due to lower business in couple of Associates leading to low profits.

6. Exceptional Items

(₹ in mn)	FY21	FY20	Change
Exceptional items	-	82.80	-100.0%

Exceptional item during previous financial year was fair value gain which resulted from assessing the fair value of investment in accordance with Ind AS.

7. Income tax

(₹ in mn)	FY21	FY20	Change
Income tax	115.20	211.70	-45.6%
Profit before tax	817.70	1,323.00	-38.2%
Tax as % of Profit before tax	14.1%	16.0%	

Income tax as % of Profit Before Tax has been lower on account of opting for lower tax rate from the existing higher tax rate as per the amendment in the last Finance Act.

Key Financial Ratios

	Ratio	Calculation	FY21	FY20
Profitability	Operating margin	EBIT / Operating Revenue	9.9%	10.1%
	EBIDTA margin	EBIDTA / Operating Revenue	21.0%	23.9%
	Net Profit margin	Net Profit / Operating Revenue	10.4%	17.6%
	Return on Net worth	Net Profit / Average Equity net of Goodwill	5.7%	9.6%
	Return on Invested capital	Net Profit / Average Equity plus Debt	6.5%	11.0%
	Cash conversion ratio	EBITDA / Cash from Operation before WC change	0.96	0.86
Liquidity	Current ratio	Current Assets / Current Liabilities	1.45	1.66
	Operating cash flow ratio	Operating cash flow / Current Liabilities	0.24	0.58
Efficiency	Debtors Turnover ratio	Operating Revenue / Average Debtors	10.71	16.27
	Debtors Turnover days	Average Debtors / (Operating Revenue / 365)	34	22
	Assets Turnover ratio	Operating Revenue / Average total assets	0.20	0.20
Leverage	Debt Equity ratio	Total liabilities / Equity, net of goodwill	0.02	0.02
	Interest coverage ratio	EBIT / Interest	18.25	15.05
Per share	Earnings per share	PAT / No. of shares	0.52	0.83
	Book value per share	Equity, net of goodwill / No. of shares	9.53	8.93
	Free Cash Flow per share	FCF / No. of shares	0.63	0.91
Market value	Price / Book value	Share price / Book value per share	3.57	2.40
	Market cap / Sales	Market capitalisation / Operating Revenue	6.71	4.51

Note: Average is (Opening balance + Closing balance) / 2

RISK FACTORS

Our business is susceptible to several risks and we believe in highlighting some of the key risks to maintain transparency with all our stakeholders. You should carefully consider these risks and all other information in the Annual Report. Any of these risks could adversely impact our business operations, financial position and prospects. For more risk factors, refer to our IPO prospectus filed with Securities and Exchange Board of India (SEBI).

1. We face intense competition in our business

Our web services industry, and especially the digital payments industry is intensely competitive and we expect competition in the industry to continue to increase. Our present and future competitors may range from large and established companies to emerging start-ups, Indian as well as large multinational companies, operating in India and in international markets where we have our operations. Since the barriers to entry for the companies are relatively low, we may also face increased competition from new entrants in our industry. We may respond by increasing advertising and promotions, which may increase our costs and may not reflect past trends.

Our competitors may have one or more of the following advantages compared to us – greater financial and other resources, advanced technology, larger sales and marketing networks, greater knowledge of the target markets, more extensive research and development and technical capabilities, logistics support, greater pricing flexibility, longer operating histories and/or strong branding and reputation. These advantages may assist them in attracting our merchants and customers.

The management of some of these competitors may have more experience in implementing their business plan and strategy. Our present and future competitors with requisite financial and other resources may be able to innovate and provide superior products and services more efficiently than we can. If our competitors leverage on these qualities to provide comparable or superior services and products, and we are unable to respond successfully to such competitive pressures, our customers could significantly decline, which would have a material adverse effect on our business, financial condition and results of operations.

There can be no assurance that we will have sufficient resources to respond to competitors' investments in pricing and other promotional programmes or technological developments. We may be required to reduce our operating margins in order to compete effectively and maintain or gain market share. In the event that we are unable to provide superior services than our competitors, including superior technology, value added and user-friendly services, we may not be able to attract customers to us, which could have material adverse effect on our business, results of operations and financial condition.

2. The payment processing industry is intensely competitive in India

The payment processing industry is very competitive. We are facing competition from new players that are offering services below cost price to increase their market share. They are backed by significantly large investors providing strong financial support, despite these players burning heavy cash. Accordingly, these competitors may be able to offer more attractive fees to our current and prospective clients that we are not able to provide. Competition could result in a loss of existing clients, and greater difficulty attracting new clients. Furthermore, if competition causes us to reduce the fees we charge in order to attract or retain clients, there is no assurance we can successfully control our costs in order to maintain our profit margins. One or more of these factors could have a material adverse effect on our business, financial condition and results of operations.

3. Our financial performance may experience high degree of fluctuations and we may also experience decelerated growth rates

Our revenue growth may not be sustainable, and our percentage growth rates may decrease. Our revenue and operating profit growth depends on the continued growth of demand for the web services offered by us and our services offered through our agent network. Our business is also affected by general economic and business conditions in India and in the regions we operate. It is impacted by the macro factors prevailing globally as well. A softening of demand, whether caused by changes in customer preferences or a weakening of the India or global economies, may result in decreased revenue and growth.

Our operating results will also fluctuate for many other reasons, including some of the following:

- Unfavorable changes in regulation;
- Our ability to offer our web services on favourable terms;
- The success of our service line and
- expansions;
- Variations in the mix of services we sell;
- Factors affecting our reputation or brand image;
- Our ability to retain and expand our business network;
- Our ability to satisfy our customers' demands and meet their expectations;
- Changes in usage or adoption rates of the internet, eCommerce, electronic devices, and web services, in the regions we operate and where we plan to expand;
- Timing, effectiveness, and costs of expansion upgrades of our systems and infrastructure;
- The outcomes of legal proceedings and claims, which may include significant monetary damages or injunctive relief and could have a material adverse impact on our operating results;
- The extent to which we invest in technology and other expense categories;

- Our ability to collect amounts owed to us when they become due;
- The extent to which use of our services is affected by spyware, viruses, phishing and other spam emails, denial of service attacks, data theft, computer intrusions, outages, and similar events; and terrorist attacks and armed hostilities.

4. Our expansion into new technology, geographical regions, other web services is subject to additional business, legal, financial and competitive risks

We have in recent periods experienced significant and rapid growth in our business operations from organic growth and acquisitions, which has placed, and will continue to place, significant demands on our managerial, operational, and financial infrastructure. Our integrated Web Services business model involves wide range of modular, customisable solutions developed on an advanced technology platform.

We continue to rapidly grow our business operations, targeting rapid merchant and customer acquisition in India as well as internationally, particularly in the Middle East with our current operations there, and as we plan to grow in many more international locations. We have already announced to launch our operations in the KSA and USA where we will face challenges related to the local market.

As our operations grow in scale and complexity, whether through offering of new services or expansion into new markets, we must continuously improve, upgrade, adapt and expand our technology systems and infrastructure to offer our merchants and customers enhanced services, features and functionality ahead of rapidly evolving consumer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner.

In addition, to effectively manage our growth, we will also need to continue to improve our operational, financial and management controls, and our reporting systems and procedures. In particular, continued growth increases the challenges involved in, amongst others, continuous training and development of skilled and competent personnel and employees and developing and improving internal administrative infrastructure. These systems, enhancements and improvements will require significant capital expenditures and management resources. Our capital expenditure in the past may not reflect our future.

5. We may not be able to expand our share of the existing payment processing markets or expand into new markets which would impede our ability to grow and increase our profitability

Our future growth and profitability depends upon the growth of the markets in which we currently operate and our ability to increase our penetration and service offerings within these markets, as well as the emergence of new markets for our services and our ability to penetrate these new markets.

Our expansion into new markets is dependent upon our ability to adapt our existing technology and offerings or to develop new or innovative applications to meet the particular service needs of each new market. In order to do so, we will need to anticipate and react to market changes and devote appropriate financial and technical resources to our development efforts, and there can be no assurance that we will be successful in these efforts.

Furthermore, in response to market developments, we may continue to expand into new geographical markets and foreign countries in which we do not currently have any operating experience. We cannot assure you that we will be able to successfully continue such expansion efforts due to our lack of experience and the multitude of risks associated with global operations or lack of appropriate regulatory approval.

6. We may be unable to effectively manage our funding and liquidity risk arising from unsecured loan in Credit Card business we are entering into, materially affecting our funding, profitability, liquidity and ability to meet our obligations

We need funding and liquidity in our credit card business to effectively run and grow the business. We may exhaust our own cash surpluses once we achieve scale, at which point we will have to access various funding options from multiple sources to get sufficient liquidity and/or credit line to scale the business. If we are unable to get funding or sufficient credit line from lending institutions we will not be able to grow the business.

We need to effectively manage our funding and liquidity in order to meet our daily cash requirements relating to operating expenses, extensions of revolving credit to our cardholders, payments of principal and interest on our indebtedness and payments on our other obligations. If we do not have sufficient liquidity, we may be exposed to maturity mismatches between our assets and liabilities, face liquidity shortfalls and may not be able to meet our obligations when due, particularly during a liquidity stress event.

We may also face issues in collection once we have offered credit to corporates who may not be able to make payment for the spends on the credit cards or may defer payment which can severely impact our growth and can also result in Non-Performing Assets (NPAs).

Disruptions, uncertainty or volatility in the capital or credit markets, such as the uncertainty and volatility experienced in the capital and credit markets during periods of financial stress and other economic and political conditions in the global markets, as well as the Government of India’s indebtedness levels and fiscal policies, may limit our ability to obtain additional financing or refinance maturing liabilities on desired terms (including funding costs) in a timely manner or at all. As a result, we may be forced to delay obtaining funding or be forced to issue or raise funding on undesirable terms, which could significantly reduce our financial flexibility and cause us to contract or not grow our business, all of which could have a material adverse effect on our results of operations and financial conditions.

7. **Our credit card portfolio is not supported by any collateral to ensure repayment. We may be unable to collect the unpaid balance**

We will extend revolving unsecured credit to our cardholders as part of our business operations. Unsecured credit card receivables present a greater credit risk for us than a portfolio of secured loans because they are not supported by realisable collateral that could help ensure an adequate source of repayment for the credit card receivables. Although we may obtain direct debit instructions from our cardholders for such unsecured credit card receivables, we may still be unable to collect in part or at all in the event of non-payment by a cardholder. Further, any expansion in our unsecured credit card receivables portfolio could require us to increase our provision for credit losses, which would decrease our profitability.

8. **Government regulation is evolving and unfavorable changes could harm our business**

We are subject to general business regulations and laws, as well as regulations and laws specifically governing the internet, eCommerce, electronic devices, and other services. We are also subject to regulations and laws in all the international regions we operate in. Existing and future laws and regulations may impede our growth. Unfavorable regulations, laws, and decisions interpreting or applying those laws and regulations could diminish the demand for, or availability of, our web services and increase our cost of doing business.

9. **We may be subject to risks related to government contracts**

Our contracts with the Indian government are subject to regulations and other requirements as laid out in the government contract. We may be subject to audits and investigations relating to our government contracts, and any violations could result in various civil and criminal penalties and administrative sanctions, including termination of contract, refunding or suspending of payments, forfeiture of profits, payment of fines, and suspension or debarment from future government business. In addition, such contracts may provide for termination by the government at any time, without cause.

10. **Our business could suffer if we are not successful in growing our investments and acquisitions.**

We have in recent periods acquired and invested in companies, and we may acquire or invest or enter into joint ventures with additional companies. These transactions create risk of loosing management focus on existing business, retaining key employees, potential impairment of tangible and intangible assets and goodwill, additional operating losses, difficulties in implementing at companies we acquire the controls, procedures, policies appropriately for a public or a private company, potential unknown liabilities in companies we acquire or invest in, difficulty in integrating new company's accounting, financial reporting, management, information security, and the lack of control if such integration is delayed or not implemented.

As a result of future acquisitions or mergers, we might need to issue additional equity securities, spend our cash, or incur debt, contingent liabilities, or amortisation expenses related to intangible assets, any of which could reduce our profitability and harm our business. In addition, valuations supporting our acquisitions and strategic investments could change rapidly.

11. **We may not be able to protect our Intellectual Property or may be accused of infringing intellectual property of third party**

All our trademarks, domain names, copyrights and other intellectual property rights are material assets and are integral and critical to our business operations. We depend on a combination of copyright, trademark laws, non-competition and confidentiality agreements with our employees, contractors, merchants and third-party service providers to protect our logo, brand name, domain names, merchant and customer database and technology infrastructure including customised Infibeam Avenues Limited that are integral to our advanced technology platform. Some of our trademark and patent applications are currently pending and there can be no assurance that these applications will be successful and these trademarks would be registered in our name. Confidentiality agreements with our employees require them to keep confidential and waive any rights to any of our trade secrets, works of authorship, software developed and other technology infrastructure upgrades made by them during their employment with us. However, there can be no assurance that our data or proprietary technology will not be copied or otherwise misappropriated or abused by third parties. There may be irreparable damage to our business in the event that our intellectual property are infringed by competitors, in which case an award of damages may not be an adequate remedy.

Third parties may claim that we infringe on their intellectual property rights as we acquire new technology companies. We may be subject to claims and legal proceedings regarding infringement of intellectual property rights. Such claims even if they lack merit or not may result in significant financial and management bandwidth, including satisfying of indemnity if required.

12. **Failure to deal effectively with fraud, fictitious transactions, and poor customer experiences would harm our business, our brand image and result in losses**

In the event that merchants using our payments web services do not fulfil their obligations to consumers or a merchant's goods or services do not match the merchant's description, we may incur substantial losses as a result of claims from consumers. We seek to recover such losses from the merchant, but may not be able to recover in full if the merchant is unwilling or unable to pay. In addition, in the event of the bankruptcy or other business interruption of a merchant that sells goods or services in advance of the date of their delivery or use (e.g., airline, concert tickets and subscriptions), we could be liable to the buyers of such goods or services on payment cards used by customers to fund their payment.

We could also incur substantial losses from claims that the consumer did not authorise the purchase, from customer fraud, from erroneous transactions, and as a result of customers who have closed bank accounts or have insufficient funds in their bank accounts to satisfy payments. We have taken measures to detect and reduce the risk of fraud, but these measures need to be continually improved and may not be effective against fraud, particularly new and continually evolving forms of fraud. If these measures do not succeed, our business could be harmed.

13. We could be affected by changes to payment card networks or bank fees, rules, or practices could harm our business

We rely on banks or other payment processors to process transactions and pay fees for the services. From time to time, payment card networks have increased, and may increase in future, the interchange fees that they charge for each transaction that accesses their networks. Payment card networks have or may impose special fees for transactions that are executed through a many of our payment options, which could impact us and significantly increase our costs. Our payment card processors may have the right to pass any increases in interchange fees on to us as well as increase their own fees for processing. Any changes in interchange fees could increase our operating costs and reduce our operating income.

14. We could face the risk of security breach and loss of data

We offer software as a service to clients and that we process, store, and transmit large amounts of data, failure to prevent any breach could expose us to potential liability and harm our business. We use third-party technology and systems for variety of reasons, including encryption, authentication, employee email, back office support and other functions. Although we have developed systems and processes to prevent data loss and other security breaches, such measures cannot provide absolute full proof security.

15. Reliance on information technology systems, networks and infrastructure, and internet penetration

Our business is technology driven, and we rely on information technology and networks and related infrastructure. As such, our business operations and quality of our service depend significantly on the efficient and uninterrupted operation and reliability of our information technology systems and networks and related infrastructure, both internal and external. We cannot guarantee an uninterrupted operation and reliability of these systems.

Internet penetration especially broadband services in India is limited and, though it has been increasing over the past few years, there can be no assurance that internet penetration in India will increase in the future as slowdowns or disruptions in upgrading efforts for infrastructure in India could reduce the rate of increase in the use of the internet. Further, any slowdown or negative deviation in the anticipated increase in internet penetration in India will affect our ability to attract and add new merchants and customers.

16. Proper functioning of payments solutions and platform is essential

The satisfactory performance, reliability and availability of our websites, our transaction-processing systems and our network infrastructure are critical to our success and our ability to attract and retain customers and maintain adequate customer service levels. Our revenues depend on the volume of transactions we process and other service level agreements that we have in place. Any system interruptions caused by computer viruses, hacking or other attempts to harm our systems that result in the unavailability or slowdown of our website or reduced order fulfilment performance would reduce the volume of our services and the attractiveness of our offerings.

Our servers may also be vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions, delays, loss of data or the inability to complete a transaction. We may also experience interruptions caused by reasons beyond our control. There can be no assurance that such unexpected interruptions will not happen, and any such future occurrences could damage our reputation and result in a material decrease in our revenues.

17. A decline in the use of any payment option as a payment mechanism or adverse developments with respect to the payment processing industry in general could have a materially adverse effect on our business, financial condition and results of operations

If consumers do not continue to use the payment options as a payment mechanism for their transactions or if there is a change in the mix of payments between cash, alternative currencies and technologies, which is adverse to us, it could have a materially adverse effect on our business, financial condition and results of operations. Moreover, if there is an adverse development in the payments industry in general, such as new legislation or regulation that makes it more difficult for our clients to do business, our business, financial condition and results of operations may be adversely affected.

18. Our risk management framework to mitigate our risk may not be fully effective against all types of risks.

Our risk management framework seeks to mitigate risk and loss to us. We have established processes and procedures intended to identify, measure, monitor, manage and report our risks. However, as with any risk management framework, there are inherent limitations to our risk management strategies such that there could be risks that we cannot anticipate or identify. If our risk management framework were to become ineffective, we could experience unexpected losses that could have a material adverse effect on our business, financial condition or results of operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have well-documented policies and procedures, which cover all financial and operational functions, thereby ensuring an adequate system of internal controls in place. These aid in providing a reasonable assurance regarding maintenance of proper accounting controls to ensure that financial reporting is reliable, operations are monitored, assets are protected from unauthorised use or losses and regulations are well complied with. As always, our processes and controls are in alignment with the best global practices.

Some significant features of the internal control systems are:

- At all locations of IAL, the Internal Auditor monitors and evaluates not only the efficacy and adequacy of existing internal control systems, but also their compliance with the operating systems, accounting procedures and policies. On the basis of the report prepared by the Internal Auditor, respective process owners carry out corrective actions, thereby strengthening the existing controls. Major audit observations and the respective corrective actions taken up are presented before the Board.
- As per the listing requirements, documentation of major business processes and testing thereof are conducted, which includes financial closing, computer controls and entity-level controls, as part of our compliance programmes. We are very strict with our security policy and update our IT systems on a periodic basis.
- As part of the established practices for all operating and service functions, detailed business plans for each segment, investment strategies and year-on- year reviews, annual financial and operating plans and monthly monitoring are carried out.
- An independent, well-established and multi-disciplinary internal audit team operates in line with the best practices of governance. It reviews and reports to the management and the Audit Committee on compliance with internal controls and the efficiency and effectiveness of operations as well as the key process risks. The scope and authority of the Internal Audit Division is derived from the Internal Audit Charter that is duly approved by the Audit Committee as well as the anti-fraud programmes, including whistle blower mechanisms that are operative across IAL.

Throughout the organisation, the Board takes responsibility for the overall process of risk management. As per IAL's objectives, our business units and corporate functions address risks via an institutionalised approach through an Enterprise Risk Management programme, after which an internal audit is carried out. The Risk Management Committee reviews business risk areas covering operational, financial, strategic and regulatory risks. The business risk is managed through cross-functional involvement and communication across businesses, the results of which are presented to the senior management.

During FY 2019-20, we conducted an assessment of the effectiveness of the internal control over financial reporting and have determined that our internal control over financial reporting as on March 31, 2020 is effective.

Human Resources

We have always believed that employees are the ultimate force behind our Company's success. We consider it our responsibility to provide our people a favourable, secured and supporting work environment. At the same time, we have in place a well-defined Code of Conduct and ensure that ethical business practices are followed at all levels of the organisation. To maintain a constant connect between the organisational goals and employee performance, we have put in place a fair and objective performance management system. Our appraisal mechanisms help in identifying the best performing employees and rewarding them accordingly in terms of the best-in-class compensation packages. To sharpen the existing skills and for the overall development of our employees, we conduct training programmes from time to time. This also helps us in identifying the loopholes in our existing talent and the taking necessary steps to address them in the best manner possible. It is because of this consistent involvement with our employees that we have been able to maintain our position as one of the most sought-after employers. As on March 31, 2021, we had an employee strength of 640 people.

Corporate Information

BOARD OF DIRECTORS:

Mr. Ajit Mehta	Non-Executive Chairman
Mr. Vishal Mehta	Managing Director
Mr. Vishwas Patel	Executive Director
Mr. Keyoor Bakshi	Independent Director
Mr. Roopkishan Dave	Independent Director
Ms. Vijaylaxmi Sheth	Independent Director
Mr. Piyushkumar Sinha	Independent Director

AUDIT COMMITTEE:

Mr. Keyoor Bakshi	Chairman
Mr. Vishal Mehta	Member
Mr. Roopkishan Dave	Member
Mr. Piyushkumar Sinha	Member

NOMINATION AND REMUNERATION COMMITTEE:

Mr. Roopkishan Dave	Chairman
Mr. Keyoor Bakshi	Member
Mr. Piyushkumar Sinha	Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Mr. Ajit Mehta	Chairman
Mr. Roopkishan Dave	Member
Mr. Piyushkumar Sinha	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Ms. Vijaylaxmi Sheth	Chairman
Mr. Vishal Mehta	Member
Mr. Piyushkumar Sinha	Member

RISK MANAGEMENT COMMITTEE:

Mr. Vishal Mehta	Chairman
Mr. Ajit Mehta	Member
Mr. Hiren Padhya	Member
Mr. Roopkishan Dave	Member*

KEY MANAGERIAL PERSONNEL:

Mr. Vishal Mehta	Managing Director
Mr. Hiren Padhya	Chief Financial Officer
Mr. Shyamal Trivedi	Vice President and Company Secretary

REGISTERED OFFICE:

28th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar – 382 355
Gujarat, India

WEBSITE:

www.ia.ooo

EMAIL ID:

ir@ia.ooo

LISTED ON:

The BSE Limited (Scrip Code: **539807**)
The National Stock Exchange of India Limited (NSE Symbol: **INFIBEAM**)

STATUTORY AUDITORS:

M/s. Shah & Taparia, Chartered Accountants

SECRETARIAL AUDITORS:

M/s. SPANJ & Associates, Company Secretaries

BANKERS:

ICICI Bank Limited
HDFC Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS:

Link Intime India Private Limited
506-508, Amarnath
Business Centre-1 (ABC-1),
Besides Gala Business Centre,
Near St. Xavier's College Corner,
Off C G Road, Ahmedabad - 380 009
Email: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

* w.e.f May 27, 2021.

Notice

NOTICE is hereby given that the **11th ANNUAL GENERAL MEETING ("AGM")** of the members of **INFIBEAM AVENUES LIMITED** will be held on Thursday, September 23, 2021 at 10:00 a.m. IST through Video Conferencing ("VC") or Other Audio Video Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt

a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2021, together with the reports of the Board of Directors and Auditors thereon and;

b) The audited consolidated financial statements of the Company for the Financial Year ended March 31, 2021, together with the report of Auditors thereon.

Item No. 2 – Declaration of Dividend

To declare a Final Dividend of ₹ 0.05/- per Equity Share of Re. 1/- each (i.e. 5%) for the Financial Year ended on March 31, 2021.

Item No. 3 – Appointment of Mr. Ajit Champaklal Mehta as a Director liable to retire by rotation

To appoint a Director in place of Mr. Ajit Champaklal Mehta (DIN: 01234707), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

Item No. 4 – Adoption of new set of Clause III (B) of the Memorandum of Association of the Company:

To consider and if deemed fit, to give assent or dissent to the following resolution to be passed as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of sections 4, 13, 15 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force) and the rules framed thereunder, and other applicable regulations, rules and guidelines issued, if any, and subject to the approval of Ministry of Corporate Affairs, and any other appropriate regulatory / statutory authorities and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authority, the consent of the members of the Company be and is hereby accorded for alteration of Memorandum of Association of the Company by adoption of a new set of Clause III(B) of Memorandum of Association in place of the existing Clause III (B) with no change in existing Clauses I, II, III (A), IV and V.

RESOLVED FURTHER THAT the existing Clause III (B) containing matters which are necessary for furtherance of the Objects specified in Clause III (A) containing the sub-clauses no. 1 to 39 be and is hereby replaced by adoption of new Clause III (B) containing the sub-clause no. 1 to 48.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any duly constituted committee thereof) or any of the Directors, the Company Secretary or duly authorized officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to accept and carry out any modifications, alteration or changes to the aforementioned resolution as may be suggested or directed by the Registrar of Companies or any other appropriate authority without requiring any further approval of the members of the Company and to settle any question, difficulty or doubt, that may arise in giving effect to aforementioned resolution."

By the Order of the Board,
For Infibeam Avenues Limited

Shyamal Trivedi
Vice President & Company Secretary

Registered Office:

28th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5,
GIFT CITY, Gandhinagar
Taluka & District - Gandhinagar – 382 355

Date: August 23, 2021

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the Special business set out as an item of the accompanying notice is annexed herewith.

2. As required in terms of Secretarial Standard - II and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information (including profile and expertise in specific functional areas) pertaining to Directors recommended for appointment / re-appointment in the AGM have been provided as an "Annexure" to the Notice. The Director has furnished the requisite consent / declarations for his appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

3. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, Circular no. 20/2020 dated May 5, 2020 and Circular no. 02/2021 dated January 13, 2021 issued by the MCA in continuation to the MCA's general Circular No. 20/2020 dated May 05, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "SEBI Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

4. Pursuant to the provisions of the Companies Act, 2013 a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Governing Body Resolution/Authorisation Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company by e-mail at ir@ia.ooo.

6. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.

7. The Company has fixed Thursday, September 16, 2021 as the 'Record Date' for the purpose of 11th AGM and for determining the entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

8. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be paid on or after September 24, 2021.

9. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

   For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

   However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal year 2022 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

   For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate for fiscal 2022 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents are available on the website of the Company i.e. https://www.ia.ooo/advice-to-shareholders and are required to be emailed at finaldividendfy2021@ia.ooo on or before September 14, 2021. No communication would be accepted from members after September 14, 2021 regarding tax withholding matters. Shareholders may write to finaldividendfy2021@ia.ooo for any clarifications on this subject.

10. In line with the aforesaid Circulars, the Notice of AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at www.ia.ooo. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the e-voting website of Link Intime India Private Limited ("Link Intime") (agency for providing the Remote e-Voting facility) i.e. https://instavote.linkintime.co.in.

11. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company by providing necessary details like Folio No., Name of the shareholder by email to ir@ia.ooo to receive copies of the Annual Report 2020-21 in electronic mode.

12. Shareholders seeking any information with regard to financial statements or any matter to be placed at the AGM are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

13. To support the "Green Initiative", members holding shares in physical form are requested to notify/send their email id and bank account details to the RTA of the Company i.e. Link Intime. In addition, members holding shares in the demat form are requested to contact their respective Depository Participant and register their email id and bank account for receiving all communication including Annual Report 2020-21, Notices, Circulars, etc. from the Company electronically.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.

15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the RTA of the Company i.e. Link Intime, 5th Floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Navarangpura, Ahmedabad – 380 009, Gujarat, India for assistance in this regard.

16. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the RTA of the Company i.e. Link Intime. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant. The Nomination Form is available on the Company's website www.ia.ooo.

17. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their

Depository Participant with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.

18. Members desiring to claim unclaimed dividend are requested to correspond with RTA as mentioned above or to the Company at its Registered Office. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") as per Section 124 of the Companies Act, 2013 read with applicable IEPF rules. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline.

19. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode during the AGM.

21. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

22. In compliance with the Circulars, the Annual Report 2020-21, the Notice of the 11th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

23. Process for those members whose email ids are not registered - for registration of Email addresses to obtain AGM Notice/Annual Report of the Company:

a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to ir@ia.ooo.

b) Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant or by email to ir@ia.ooo.

24. General Information:

(i) Shareholders/Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

(ii) Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

(iii) Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

(iv) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

(v) Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker in advance at least 7 days before the AGM by sending their request from their registered email address mentioning their name, DP ID and Client ID / Folio Number, PAN, mobile number at ir@ia.ooo. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

25. VOTING THROUGH ELECTRONIC MEANS :

A. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by Listed Entities, and any other applicable provisions as amended, the Company is pleased to offer the facility of voting through electronic means and the businesses set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Link Intime India Private Limited.

B. The Members, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

C. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participant in the AGM through VC but shall not be entitled to cast their vote again.

D. The remote e-voting period commences at 09:00 a.m. on Monday, September 20, 2021 and ends at 5:00 p.m. on Wednesday, September 22, 2021 During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, September 16, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited for e-voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commencing from 09:00 a.m. on Monday, September 20, 2021 and ends at 5:00 p.m. on Wednesday, September 22, 2021 or e-Voting during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

E. The voting rights of shareholders shall be in proportion to their shares in the Paid Up Equity Share Capital of the Company as on the cut-off date, being Thursday, September 16, 2021.

26. Instructions for Remote E-voting and E-voting at the AGM:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Individual Shareholders (holding securities in demat mode) & login through their depository participants	● You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. ● Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in ▶ Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: - **A. User ID:** Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) **D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. ● Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ▶ Click "confirm" (Your password is now generated). 2. Click on 'Login' under **'SHARE HOLDER'** tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.** 4. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.** 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link). 7. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID,** select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'.**
  - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at https://instavote.linkintime.co.in, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

27. Process and manner for attending the Annual General Meeting through InstaMeet:

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link https://www.webex.com/downloads.html/.

Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

a) Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details:

DP ID / Client ID or Beneficiary ID or Folio No.	Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company.
PAN	Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
Mobile No.	Enter your mobile number.
Email ID	Enter your email id, as recorded with your DP/Company.

b) Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

28. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

b) Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.

c) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

d) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.

e) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

f) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

29. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES

ITEM: 4

The object Clause III (B) [Matters which are necessary for furtherance of the Objects specified in Clause III (A)] of the Memorandum of Association ("MOA") of the Company, as presently in force, is based on the Companies Act, 2013. Since then the Companies Act, 2013 has been amended several times. Due to changes in the law, various sub clauses of Clause III (B) of MOA requires alteration. In addition, changes in the technologies, business practices, and changes in the political and regulatory scenarios, has also necessitated the updation of the Clause III (B) of the MOA. As a good governance practice, it is desired that the Clause III (B) of the MOA be amended to reflect the updated position in a lucid and coherent manner.

The Board at its meeting held on August 23, 2021 has considered and approved proposal of adoption of new sets of Clause III (B) the MOA of the Company subject to approval of shareholders.

A copy of proposed new set of the Clause III (B) the MOA of the Company is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days (Except Saturday and Sunday).

As per Section 4, 13 and other applicable provisions, if any of the Companies Act, 2013 (as amended), for the purpose of alteration of Memorandum of Association by adoption of new set of Clause III (B) the MOA of the Company requires approval of the Members by passing a Special Resolution.

None of the Directors or the Key Managerial Persons of the Company or their respective relatives are concerned or interested, financially or otherwise in the resolution as set out at the accompanying Notice except to the extent of their shareholding.

The Board recommends passing of the resolution set out at Item No. 4 as a Special Resolution.

Registered Office:

28th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5,
GIFT CITY, Gandhinagar
Taluka & District - Gandhinagar – 382 355

Date: August 23, 2021

By the Order of the Board,
For Infibeam Avenues Limited

Shyamal Trivedi
Vice President & Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:

Particulars	Profile of the Director
Name of the Director(s)	**Mr. Ajit Champaklal Mehta**
DIN	01234707
Date of Birth	November 17, 1948
Date of appointment on the Board	June 30, 2010
Qualifications	Bachelor's Degree in Commerce
Experience & Expertise in specific functional areas	Mr. Ajit Mehta has been associated with the Company since its inception as a Promoter Director. He advises the Company in taking various strategic decisions from time to time. Mr. Ajit Mehta has nearly 42 years of experience of various industry segments out of which he has 20 years of experience in the textiles, chemicals, building material and construction sector and more than 16 years of experience in the automobile industry. His vast experience has helped the Company to grow further.
Remuneration last drawn (including sitting fees, if any)	Please refer to the Corporate Governance Report (Annexure -B) as part of Director's Report
Number of Meeting of the Board attended during the Financial Year (2020-21)	08 (Eight)
Names of other Companies in which the Director holds Directorship as on 31.03.2021	1. Infinium Motors Private Limited 2. Infinium Motors (Gujarat) Private Limited 3. Infinium Communication Private Limited 4. Infinium Financial Services Limited
Names of Committees of other listed Companies in which the Director holds Chairmanship/ Membership as on 31.03.2021	Nil
Shareholding in the Company as on 31.03.2021	6,02,29,560 Equity Shares of Re. 1/- each
Relationships between Directors, Key Managerial Personnel and Managers of the Company	**Name of the Director** / **Related to** / **Nature of Relationship**: Ajit Mehta / Vishal Mehta / Father

Director's Report

Dear Members,

Your Directors are pleased to present the 11th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended on March 31, 2021.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2021 is summarised below: (₹ In Million)

Particulars	Standalone		Consolidated	
	2020-21 (FY 2021)	2019-20 (FY 2020)	2020-21 (FY 2021)	2019-20 (FY 2021)
Revenue from Operations	5,767.02	5,818.49	6,760.35	6,327.16
Other Income	91.42	90.30	100.19	116.65
Total Income	**5,858.44**	**5,908.79**	**6,860.54**	**6,443.81**
Total Expenditure other than Finance Cost, Depreciation and Tax	4,529.66	4,542.81	5,341.89	4,815.54
Operating Profit / (Loss) before Finance Cost, Depreciation, Tax and Exceptional item	**1,328.78**	**1,365.98**	**1,518.65**	**1,628.27**
Less: Finance Cost	35.52	42.18	36.56	42.42
Less: Depreciation and amortization expenses	688.77	712.18	750.56	873.31
Profit / (Loss) before Tax and Exceptional item	**604.49**	**611.61**	**731.53**	**712.54**
Add: Exceptional Items	-	-	-	82.76
Profit / (Loss) before Tax	**604.49**	**611.61**	**731.53**	**795.30**
Less: Tax	110.47	217.15	115.20	216.27
Profit before share in profit/(Loss) in Associate	**494.02**	**394.46**	**616.33**	**579.03**
Share of profit / (Loss) of Associate	**-**	**-**	86.15	527.76
Profit from continuing operations after tax	**494.02**	**394.46**	**702.48**	**1,106.79**
Profit / (loss) from discontinued operations before tax	**-**	**(13.12)**	**-**	**(12.49)**
Share in net profit/(loss) of Associate from discontinued operations	**-**	**-**	**-**	**(17.86)**
Tax expense of discontinued operations	**-**	**(4.59)**	**-**	**(4.06)**
Profit / (loss) from discontinued operations after tax	**-**	**(8.54)**		**(26.28)**
Profit /(loss) for the year from continuing and discontinued operations	**494.02**	**385.93**	**702.48**	**1,080.51**
Other comprehensive income/(Expenses) [net of tax]				
Items that will not be reclassified to Profit or loss, net of tax	-	-	-	-
Re-measurement gains / (losses) on defined benefit plans	2.82	(1.17)	2.95	(0.73)
Income tax effect	(0.71)	-	(0.71)	-
Gains and Losses from Investments in Equity Instruments	-	-	(2.26)	-
Income tax effect	-	-	-	-
Total other comprehensive income for the year, net of tax	**2.11**	**(1.17)**	**(0.02)**	**(0.73)**
Total comprehensive income/(Expenses) for the period	**496.13**	**384.76**	**702.47**	**1,079.78**
Add: Balance brought forward from previous year	255.24	229.19	2,323.20	1,633.30
Add / (Less): on account of Consolidation Adjustment	-	-	-	-
Add / (Less): Share of minority			20.78	(0.84)
Profit available for appropriation	**751.37**	**613.95**	**3,046.45**	**2,712.24**
Transfer to General Reserve	-	-	-	
Transfer to Debenture Redemption Reserve	-	-	-	-
Excess Losses pertaining to minority	-	-	-	-
Dividend on Equity Shares	-	(65.39)	-	(65.39)
Tax on Dividend	-	(14.06)	-	(14.06)
Transition impact on account of adoption of Ind AS 116 "Leases"	-	(0.70)	-	(0.70)
Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement	-	(278.56)	-	(308.90)
Balance carried over to Balance Sheet	**751.37**	**255.24**	**3,046.45**	**2,323.20**

Note: The figures for the previous periods have been regrouped / recasted, wherever necessary, to make them comparable with the figures for the current periods.

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

During the financial year 2020-21, net revenue from operations on standalone basis marginally decreased to ₹ 5767 Million as against ₹ 5818 Million in the previous year.

Gross revenue from operations on a consolidated basis grew 6.8% year-on-year to ₹ 6760 Million as against ₹ 6327 Million in the previous year. The Company witnessed strong growth in value of transactions processed (TPV), growth in transaction volumes and 2,000+ average daily merchant addition across all fintech platforms, but the growth was offset by lower contribution from the high margin percentage-fee based sectors like aviation, travel & tourism, hospitality, and entertainment impacted by Covid19, and including lower discretionary spends by consumers due to Covid19. Overall, both Payment and Platform businesses reported excellent performance in FY 2021. Despite the ongoing pandemic, we have built a strong pipeline of merchants from whom we expect a good business going forward as they grow their business through the digital mode.

In the domestic Platforms business, the company achieved strong double-digit revenue growth compared to the previous year. During the year, the company added one of India's largest digital enterprise, Jio Platforms Limited, as its new customer which along with increase in volumes on GeM portal (transaction-based client) led to the strong domestic business growth.

Consolidated EBITDA margin was at 21.0% in FY21 from 23.9% in FY20 on account of lower contribution from percentage-fee based retail sectors like aviation, travel & tourism, hospitality, entertainment, etc., which were significantly impacted due to Covid19. Yet, The Company's EBITDA only marginally fell by 6.2% year-over-year in FY21 to ₹ 1418 Mn from ₹ 1511 Mn in FY20. This directly reflects the Company's discipline in allocating resources to key strategic growth areas while optimizing costs and improving efficiency. This is also reflected in operating expenses which, as a percentage to revenue from operations has slightly increased to 78.5% (₹ 4530 Million) as against 78.1% (₹ 4543 Million) in the previous year.

The Company's standalone Profit Before Tax for the period was largely flat at ₹ 604 Million against ₹ 612 Million in the previous year.

The standalone Profit After Tax margin has increased for the period to 8.6% (₹ 494 Million) as against 6.8% (₹ 394 Million) in the previous year in view of opting for lower tax rate as per the Income tax law amendment.

The consolidated Profit After Tax for the year was lower at ₹ 702 Million against ₹ 1107 Million in the previous year despite higher transaction volume and TPV due to higher flat-fee based transactions and lower contribution from percentage-fee based sectors in the payments business impacted by the pandemic throughout the year.

3. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2020-21 are prepared in compliance with applicable provisions of the Companies Act, 2013 ("Act") read with the Rules made thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The Consolidated Financial Statements have been prepared on the basis of audited financial statements of your Company, its subsidiaries (including step down subsidiaries) and associate companies, as approved by their respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

4. COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide.

This has also impacted the business operations of the Company significantly. At Infibeam, the health and safety of all employees has always been the top priority. In line with the guidelines issued by the Government, the Company implemented key measures across every touchpoint to safeguard its Human Capital. Infibeam has always been agile in adapting to change, which made the transition to 'Work from Home' operations swift and smooth, ensuring minimal disruption to the customers and maintaining business continuity. We ensured that the employees had access to all critical business applications with undisrupted support while working from home with zero compromise on data and content security.

Strong proactive steps were taken in transforming the workspace, keeping social distancing norms at the fore. All the necessary safety and hygiene protocols were followed for the critical verticals functioning from office, including alternate seating arrangements, implementing a clean desk policy and temperature screening at all entry points. Frequent sanitization of all surfaces was maintained, and hand sanitizers were placed at all strategic locations within the office premises. The protocols are regularly reviewed and updated based on revisions in guidelines received from the authorities concerned from time to time.

The Company is making every effort possible to make up for the lost time, due to the pandemic, during the year. The impact of the lockdown disruption is being assessed from time to time. As the nation is gearing up with major vaccination drive, we expect normalcy to return sooner. The ongoing

COVID-19 crisis calls for the entire nation to fight as one collective force. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Government and Health authorities.

Detailed information on the same has been included under the Management Discussion & Analysis report forming part of this Annual Report.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, the Company with the approval of Shareholders in the Extra Ordinary General Meeting held on March 09, 2021 has altered the Clause III(A) (Object clause) of its Memorandum of Association by inserting sub-clause No. 7 and 8 after existing sub-clause No. 6 the emphasis of inclusion of the aforementioned sub-clauses is to expand its business activities, in furtherance of which the Company has applied for authorization from the Reserve Bank of India ("RBI") under the new guidelines issued under Payment and Settlement Systems Act, 2007 ("the PSS Act") to adopt the technology-related recommendations and to further undertake the business and to act as Payment Aggregator ("PA") and to facilitate e-commerce sites and merchants, to accept various payment instruments from the customers for completion of their payment obligations, without the need for merchants and to create a separate payment integration system of their own and further to facilitate the merchants to connect with acquirers and to receive payments from customers, pool and transfer them on to the merchants after a time period and also to undertake / carry on other supplemental / related / ancillary business of Payment Aggregator.

To also set-up and operate as a Pan-India umbrella entity focusing on retail payment systems, to seek authorization from the Reserve Bank of India (RBI) to operate under the PSS Act, to set-up, manage and operate new payment system(s) in the retail space comprising of but not limited to ATMs, White Label PoS; Aadhaar based payments and remittance services; newer payment methods, standards and technologies; monitor related issues in the country and internationally; take care of developmental objectives like enhancement of awareness about the payment systems, to operate clearing and settlement systems for participating banks and non-banks.

This will enable the Company to carry on any other business as suitable to further strengthen the retail payments ecosystem in the country and endeavour to offer innovative payment systems to include hitherto excluded cross-sections of the society and which enhance access, customer convenience and safety and make the same distinct yet interoperable.

6. DIVIDEND

The Board of Directors at its meeting held on May 27, 2021 has recommended payment of ₹ 0.05/- per Equity Share of Re. 1/- each (i.e. 5%) as final dividend for the Financial Year ended 31st March, 2021 to the Shareholders, following issue of Bonus Shares (effectively 10% dividend pre allotment of Bonus Shares).

The payment of final dividend is subject to the approval of the Shareholders of the Company at the ensuing Annual General Meeting (AGM). The expected outflow on account of equity dividend, based on current Paid-up Equity Share Capital of the Company would aggregate to ₹ 66.55 Million.

Pursuant to Finance Act, 2020 dividend income will be taxable in the hands of the Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income-tax Act, 1961.

The details of the unclaimed dividend pertaining to the previous dividend disbursements are available on the Company's website at www.ia.ooo.

According to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the top 1000 listed entities based on market capitalization, calculated as on 31st March of every Financial Year, are required to formulate a Dividend Distribution Policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. Accordingly, The Dividend Distribution Policy of the Company can be accessed on the Company's website i.e. https://www.ia.ooo/code-of-conduct-policies.

7. TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to the general reserve on declaration of dividend.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There were no material changes and commitments affecting the financial position of your Company between the end of the Financial Year and date of this report.

9. SUBSIDIARIES & ASSOCIATE COMPANIES

During the year under review, the following changes have taken place in subsidiary / associates:

Subsidiary Companies:

- DRC Systems India Limited ceased to be subsidiary of your Company pursuant to sanction of the Composite Scheme of Arrangement by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated November 27, 2020.
- Your Company has divested 100% stake in Cardpay Technologies Private Limited ("Cardpay") to its Subsidiary i.e. Instant Global Paytech Private Limited ("GoPay"). Hence, Cardpay has now become a step down Subsidiary of the Company

with effect from December 31, 2020.

- Your Company has acquired 50.50% stake in So Hum Bharat Digital Payments Private Limited ("So Hum"), a Company incorporated under the Companies Act, 2013. So Hum has now become subsidiary of your Company with effect from February 20, 2021.

Associate Companies:

- DRC Systems India Limited became an Associate of your Company and NSI Infinum Global Limited ceased to be an Associate Company, pursuant to sanction of the Composite Scheme of Arrangement by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated November 27, 2020.

  Pursuant to Section 129 (3) of the Act read with rules framed thereunder, pursuant to Regulation 33 of the Listing Regulations and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries and associates.

  A separate statement containing the salient features of the financial performance of the subsidiaries and associates for the Financial Year 2020-21 in the prescribed form AOC – 1 is annexed to the Directors' Report as Annexure - A and forms a part of this report. The Audited Consolidated financial statements together with Auditors' Report, forms an integral part of the Annual Report.

  The Policy for determining material subsidiaries is available on the Company website i.e. https://www.ia.ooo/code-of-conduct-policies. The Company does not have a material subsidiary.

  In terms of provisions of Section 136 of Act, separate audited accounts of the subsidiary Companies shall be available on website of the Company at www.ia.ooo. These documents shall also be made available for inspection by any Member of the Company at the Registered Office of the Company during business hours between 11.00 A.M. to 2.00 P.M. on all working days of the Company (Except Saturday, Sundays and Public holiday) up to the date of the AGM.

  After the closure of Financial Year 2020-21, the following changes have taken place in subsidiaries / associates:

- Pursuant to the investment made by other Companies, your company's shareholding in Avenues Payments India Private Limited ("RemitGuru") reduced from 22.68% to 16.66%, hence Remit Guru now ceases to be an Associate Company of your Company w.e.f. April 29, 2021.

10. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any public deposits within the meaning of Section 73 read with Companies (Acceptance of Deposits) Rules, 2014 made under Chapter V of the Act and any other provisions of the Act, read with rules made there under.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 149, 152 and other applicable provisions of the Act and the Articles of Association of the Company, Mr. Ajit Champaklal Mehta (DIN: 01234707), is liable to retire by rotation and being eligible offers himself for re-appointment. As the re-appointment of Director is appropriate and in the best interest of the Company, the Board recommends the re-appointment of the director for your approval.

Brief details of the retiring director proposed to be appointed/re-appointed as required under Regulation 36 of the Listing Regulations are provided in the Notice of the AGM.

Mr. Vishal Mehta, Managing Director, Mr. Hiren Padhya, Chief Financial Officer and Mr. Shyamal Trivedi, Vice President & Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). During the year, there was no change (appointment or cessation) in the office of KMPs.

12. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). They have registered their names in the Independent Directors data-bank. They have also affirmed compliance to the Conduct for Independent Directors as prescribed in Schedule IV of the Act. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified under the Act and Listing Regulations and are independent of the management.

13. DIRECTOR'S RESPONSIBILITIES STATEMENT

Pursuant to the requirement of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the Financial

Year 2021 and of the profit of the Company for that period;

(iii) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis.

(v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2020-21, 09 (Nine) Board meetings were held. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

15. NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of the Act read with the Rules issued thereunder and the Listing Regulations.

This Policy is available on the website of the Company i.e. https://www.ia.ooo/code-of-conduct-policies.

16. BOARD EVALUATION

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia,* the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the Financial Year 2020-21 in accordance with the framework. The details of evaluation process of the Board, its Committees and individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

17. MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, forming a part of the Annual Report.

18. CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Practicing Company Secretary on its compliance forms part of this Report as Annexure - B.

19. BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance forms part of this Report as Annexure - C.

20. CHANGE IN SHARE CAPITAL

During the year under review, the Company after obtaining necessary approvals, has allotted 8,06,530 Equity Shares of Re. 1/- each on November 30, 2020 , to its eligible employees of the Company & its subsidiaries under both the Schemes - Employees Stock Option Plan 2013-14 and Employees Stock Option Plan 2014-15. After the issue, the Equity Share Capital of the Company stood at ₹ 665.52 million.

Reclassification and Increase of Authorised Share Capital of the Company

The issue of Bonus Shares required an increase in the Authorised Share Capital of the Company. Accordingly, pursuant to approval of the Shareholders in Extra Ordinary General Meeting held on March 09, 2021, the Authorised Share Capital had been reclassified from the existing ₹ 90,00,00,000 (Rupees Ninety Crores Only) divided into 89,75,00,000 (Eighty-Nine Crores Seventy-Five Lakhs) Equity Shares of Re. 1/- (Rupee One Only) each and 2,50,000 (Two Lakhs Fifty Thousand) 0.01% Compulsory Convertible Preference Shares of ₹ 10/- (Rupees Ten Only) each in to ₹ 90,00,00,000 (Rupees Ninety Crores Only) divided into 90,00,00,000 (Ninety Crores) Equity shares of Re. 1/- (Rupee One Only) each and increased from ₹ 90,00,00,000/- (Rupees Ninety Crores Only) divided into 90,00,00,000 (Ninety Crores) Equity Shares of Re. 1/- (Rupee One Only) each to ₹ 140,00,00,000 (Rupees One Hundred Forty Crores Only) divided into 140,00,00,000 (One Hundred Forty Crores) Equity Shares of Re. 1/- (Rupee One Only) each by way of creation of additional 50,00,00,000 (Fifty Crores) Equity Shares of Face Value of Re. 1/- (Rupee One Only) each.

Issue of Bonus Shares

Pursuant to the approval of the Shareholders in Extra Ordinary General Meeting held on March 09, 2021, the Company had allotted 66,55,26,790 Bonus Equity Shares of Re. 1/- each in ratio of 1 (one) Equity Bonus share for 1 (one) Equity Share held (1:1) to the Equity Shareholder(s) whose names appeared in the Register of Members on March 20, 2021 i.e. the "Record Date". After the issue, the Equity Share Capital of the Company stood at ₹ 1331.05 million.

Consequently, the issued, subscribed and paid up Equity Share Capital as on March 31, 2021 was ₹ 1,33,10,53,580 divided into 1,33,10,53,580 Equity Shares of Re. 1/- each.

21. SCHEME OF ARRANGEMENT

The Composite Scheme of Arrangement amongst Infibeam Avenues Limited, Suvidhaa Infoserve Limited, DRC Systems India Limited and NSI Infinium Global Limited and their respective Shareholders and Creditors under Section 230 to 232 read with Section 66 and other applicable provisions of the Act and rules made thereunder ("Scheme") had been sanctioned by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad vide its order dated November 27, 2020.

The Appointed Date was April 01, 2020 for :

i. the demerger and vesting of the SME E-Commerce Services Undertaking from Infibeam Avenues Ltd. ('Infibeam' or 'Demerged Company 1') to Suvidhaa Infoserve Limited ('Suvidhaa' or 'Resulting Company 1');

ii. the demerger and vesting of the E-Commerce Business Undertaking from NSI Infinium Global Limited ('NSI' or 'Demerged Company 2') to Suvidhaa;

iii. the demerger and vesting of the Themepark & Event Software Undertaking from Infibeam to DRC Systems India Limited ('DRC' or 'Resulting Company 2').

The Scheme became effective upon filing of certified copy of the order with the Registrar of Companies (RoC) on December 02, 2020. The Record Date was set as December 11, 2020 for the purpose of determining the eligible shareholders of Infibeam for allotment of Equity Shares of DRC and Suvidhaa pursuant to the Scheme. The Equity Shares of DRC have been listed and admitted for trading on both the Stock Exchanges i.e. BSE Limited via Scrip Code: 543268 and NSE via Symbol: DRCSYSTEMS w.e.f March 10, 2021 and the Equity Shares of Suvidhaa have been listed and admitted for trading on both the Stock Exchanges i.e. BSE Limited via Scrip Code: 543281 and NSE via Symbol: SUVIDHAA w.e.f March 31, 2021.

22. COMMITTEES OF THE BOARD

Details of various committees constituted by the Board of Directors as per the provision of the Listing Regulations and the Act are given in the Corporate Governance Report which forms part of this report.

23. ENHANCING SHAREHOLDERS' VALUE

Your Company believes that its Members are its most important Stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other Stakeholders by ensuring that its corporate actions positively impact the socioeconomic and environmental dimensions and contribute to sustainable growth and development for a greater living.

24. AUDITORS

I. STATUTORY AUDITORS:

M/s. Shah & Taparia, Chartered Accountant (Firm Registration No. – 109463W), the Statutory Auditors of the Company were appointed at the 8th AGM of the members of the Company held on September 29, 2018, for a period of five (5) years to hold office till the conclusion of the 13th AGM.

Your Company has received written consent(s) and certificate(s) of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act, and Rules issued thereunder (including any statutory modification (s) or re-enactment(s) for the time being in force), from M/s. Shah & Taparia, Chartered Accountants (Firm Registration No. – 109463W)

- **Statutory Auditors' Report**

During the period under review, no incident of frauds was reported by the Statutory Auditors pursuant to Section 143 (12) of the Act. The Auditors' Report is enclosed with the financial statements in this Annual Report.

II. SECRETARIAL AUDITOR:

In terms of Section 204 of the Act, and rules made thereunder, the Board had appointed M/s. SPANJ & Associates, Company Secretaries, as the Secretarial Auditor to conduct an audit of the secretarial records, for the Financial Year 2020-21.

- **Secretarial Audit Report**

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Act, from M/s. SPANJ & Associates, Company Secretaries. The said Report is attached with this Report as Annexure - D.

There are no remarks / qualification in the Secretarial Audit Report, hence no explanation has been offered.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report which forms part of this report.

The Annual Report on CSR activities is annexed to this Report as Annexure - E.

The CSR policy is available on your Company's website https://www.ia.ooo/code-of-conduct-policies

26. ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return on its website at https://www.ia.ooo/annual-return. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide the extract of Annual Return (Form MGT-9) as part of the Board's report.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2021, are set out in Notes to the Standalone Financial Statements forming part of this report.

28. PARTICULARS OF RELATED PARTY TRANSACTIONS

With reference to Section 134(3)(h) of the Act, all the related party transactions entered by the Company during the Financial Year, were in the ordinary course of business and on an arm's length basis in accordance with the provisions of the Act, Rules made thereunder and the Listing Regulations.

During the year, the Company had not entered into any related party transactions which could be considered 'material' in terms of Section 188 of the Act and rules made thereunder and according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in Form AOC-2. However, you may refer to Related Party transactions in Note No. 26 of the Standalone Financial Statements.

29. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure - F which forms part of this report.

The statement containing particulars of employees as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

30. VIGIL MECHANISM

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of the Act and Listing Regulations, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism ("Whistle Blower policy") is available on the Company's website at https://www.ia.ooo/code-of-conduct-policies.

31. INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integral part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended. Detailed information on the same has been included under the Management Discussion & Analysis report forming a part of this Annual Report.

32. RISK MANAGEMENT

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

The Company has a Risk Management Policy, which from time to time, is reviewed by the Audit Committee as well as by the Board of Directors. The Policy is reviewed by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work are monitored regularly with reference to statutory regulations and guidelines defined by the Company.

The Risk Management policy is available on the Company's website at https://www.ia.ooo/code-of-conduct-policies.

33. DETAILS OF EMPLOYEE STOCK OPTION PLANS

During the year, 47,00,950 options were granted to eligible employees of the Company in terms of Employees Stock Option Plan.

The Schemes are in line with the SEBI (Share Based Employee Benefits) Regulations, 2014 / SEBI (Share Based Employee Benefits and Sweat Equity) regulations, 2021. ("ESOP Regulations"). The Company has received a certificate from the Auditors of the Company that the Schemes are implemented in accordance with the ESOP Regulations. A copy of the certificate would be available at the AGM for inspection by members. The applicable disclosures as stipulated under ESOP Regulations with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.ia.ooo.

34. DETAILS OF EMPLOYEE SAR SCHEME

The Scheme is in line with the ESOP Regulations. The Company has received a certificate from the Auditors of the Company that the Scheme is implemented in accordance with the SBEB Regulations. The certificate would be available at the AGM for inspection by members. The applicable disclosures as stipulated under ESOP Regulations with regard to Stock Appreciation Rights of the Company are available on the website of the Company at www.ia.ooo.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures to be made under Section 134(3) (m) of the Act read with rule 8 (3) of the Companies (Accounts) Rules, 2014 by the Company are as under

i) Conservation of Energy

Steps taken or Impact on Conservation of Energy:

The Company strives and makes conscious efforts to reduce its energy consumption through business operations of the Company which are not energy intensive. Some of the measures undertaken are listed below:

1. Usage of LED lights at office spaces that are more energy efficient.
2. Regular monitoring of temperature inside the office premises and controlling the Air Conditioning system.
3. Optimised cooling within data center facility to operate within permissible temperature range of IT equipments.
4. PACs are deployed in shifts and groups to improve efficiency and life of equipments.
5. Rationalisation of usage of electricity
6. Planned preventive maintenance

ii) Technology Absorption

The Company by itself operates into the dynamic information technology space. The Company has adequate members in Technology development functions and keep updating the changes in technology.

IT team constantly monitor and optimise usage of proprietary software within company. They optimise cost by replacing proprietary software by open source wherever possible.

iii) Foreign Exchange earnings and outgo

Further during the year under review, details of foreign exchange earnings and outgo are as given below:

(₹ in Million)

Particulars	Financial Year 2020-21	Financial Year 2019-20
Earning in Foreign Currencies	415.29	488.59
Expenditure in Foreign Currencies	17.69	9.04

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

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under the policy. No complaint has been received by the Company under this Policy during the year 2020-21. The Company is committed to provide a safe and conducive work environment to all its employees and associates.

The Policy for prevention of Sexual Harassment is available on the Company's website at https://www.ia.ooo/code-of-conduct-policies.

37. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. The Code of Conduct of Board of Directors is also available on the Company's website https://www.ia.ooo/code-of-conduct-policies.

38. CREDIT RATING:

Details of Credit Rating are given in the Corporate Governance Report which forms part of this report.

39. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

40. SEBI SETTLEMENT ORDER

Under Section 19 read with Sections 11 (1), 11 (4) (d), 11 (4A) and Section 11B of the SEBI Act, 1992 read with Regulation 10 of the SEBI (PIT) Regulations, 2015 show cause notice(s) were issued to Mr. Vishal Mehta and Mr. Malav Mehta – Promoter(s), Mr. Hiren Padhya CFO and Infinium Motors (Gujarat) Private Ltd ("Noticees"). These Noticees had submitted the settlement applications with Securities and Exchange Board of India (SEBI). SEBI has passed Settlement Orders dated July 28, 2021 and requisite settlement amounts have been paid by the Noticees as per the Settlement Orders and the said matter is concluded.

41. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

There are no amounts that are due to be transferred to Investor Education and Protection Fund by the Company.

The Company has sent adequate communication(s) to the members whose dividends are unclaimed, requesting them to provide/update bank details with the RTA/Company, so that dividends paid by the Company are credited to the investors' account on timely basis.

42. OTHER DISCLOSURES

- The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;
- The Audit Committee comprises namely Mr. Keyoor Bakshi (Chairman), Mr. Vishal Mehta, Mr. Roopkishan Dave and Mr. Piyuskumar Sinha, Members. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board;
- The Managing Director of the Company has not received any remuneration or commission from any of Company's Subsidiary;
- The Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise;
- The Company has not issued any sweat equity shares to its directors or employees.
- Interested Directors were recused from the discussion of the agenda items, in which they were interested, of the Board or Committee meetings held during the year.

43. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the contributions made by all employees towards the success of your Company more particularly ensuring business as usual in spite of Covid-19 impact.

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, legal advisors, consultants and business associates with whose help, cooperation and hard work the Company is able to achieve the results.

The Directors regret the loss of lives due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their lives and safety to fight this pandemic.

The Board deeply acknowledges the trust and confidence placed by the customers of the Company and all its Stakeholders.

For and on behalf of Board of Directors

Ajit Champaklal Mehta
Chairman
[DIN: 01234707]

Place: Gandhinagar
Date: August 23, 2021

Annexure – A

FORM AOC-1

Part – A: Subsidiary Companies

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

Sr. No.	Particulars	1	2	3	4	5	6	7	8	9	10
1	Name of Subsidiaries	**Infibeam Digital Entertainment Private Limited**	**Infibeam Logistics Private Limited**	**Odigma Consultancy Solution Private Limited**	**Avenues Infinite Private Limited**	**Vavian International Limited**	**Avenues World FZ-LLC**	**Instant Global Paytech Private Limited**	**AI Fintech Inc**	**Cardpay Technologies Private Limited**	**So Hum Bharat Digital Payments Private Limited**
2	The date since when subsidiary was acquired	November 30, 2012	March 31, 2014	February 24, 2014	April 01, 2017	March 21, 2019	July 1, 2018	May 06, 2020	April 20, 2020	June 05, 2020	February 20, 2021
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	₹	₹	₹	₹	UAE Dirham Exchange rate as on March 31, 2021, 1 AED = ₹ 19.92	UAE Dirham Exchange rate as on March 31, 2021, 1 AED = ₹ 19.92	₹	USD Exchange rate as on March 31, 2021, 1 USD = ₹ 73.11	₹	₹
5	Paid up share capital	42.50	375.10	2.24	39.36	0.26	1.87	0.32	92.69	0.50	10.00
6	Reserves & surplus	-130.77	-50.43	250.92	1144.54	149.00	266.13	31.79	30.78	1.46	-1.86
7	Total assets	8.54	335.06	269.39	1186.69	149.32	437.88	295.06	191.95	15.71	8.29
8	Total liabilities	96.81	10.39	16.23	2.79	0.07	169.89	262.96	68.48	13.75	0.15
9	Investment	0.00	0.00	0.00	602.90	1.87	0.00	7.50	0.00	0.00	0.00
10	Turnover	-	2.28	297.86	1.20	55.79	398.93	451.37	102.72	-	-
11	Profit / (Loss) before taxation	-16.51	-17.63	12.29	0.85	25.37	190.37	-34.69	33.04	-2.25	-0.10
12	Provision for taxation	-	-	4.73	-	-	-	-	0.00	-	-
13	Profit (Loss) after Tax	-16.51	-17.63	7.56	0.85	25.37	190.37	-34.69	33.04	-2.25	-0.10
14	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
15	% of Shareholding	74.00%	100.00%	100.00%	100.00%	100.00%	100.00%	52.38%	100%	100%#	50.50%

Note:

1. Name of Subsidiaries which are yet to commence operations – None
2. Name of Subsidiaries which have been liquidated or sold during the year – On December 31, 2020 the Company had divested its 100% ownership with control in its Wholly Owned Subsidiary i.e. Cardpay Technologies Private Limited ("Cardpay") to its Subsidiary i.e. Instant Global Paytech Private Limited ("GoPay"). Hence, Cardpay has become a step down Subsidiary of the Company
3. #Wholly Owned Subsidiary of Subsidiary i.e. Instant Global Paytech Private Limited

Part- B: Associate & Joint Venture

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

(₹ In Million)

Sr. No.	Particulars	1		2	3	4
	Name of Associate Company	**Avenues Payments India Private Limited**		**DRC Systems India Limited**	**Infibeam Global EMEA FZ-LLC**	**Instant Global Paytech Private Limited (upto May 05, 2020)**
1	Latest Audited Balance sheet Date	March 31, 2021		March 31, 2021	March 31, 2021	May 05, 2020
2	Shares of Associates or Joint Ventures held by the Company on the Year end	Equity Shares	Compulsorily Convertible Preference Shares	Equity Shares	Equity Shares	Equity Shares
	No. of Shares	34,791	4,876	11,47,500	36,016	14,400
	Amount of Investment in Associates or Joint Ventures	214.03	30.00	30.60	675.86	60.00
	Extent of Holdings (In Percentage)	22.69%		29.69%	49.00%	48.00%
3	Description of how there is significant influence	Not Applicable		Not Applicable	Not Applicable	Not Applicable
4	Reason why the associates / Joint Ventures is not Consolidated	Consolidation carried out based on equity method				
5	Net worth attributable to Shareholding as per latest audited balance Sheet	25.27		16.93	2551.94	32.65
6	Profit or (Loss) for the Year	-115.28		-4.06	235.08	-4.28
	i. Considered in Consolidation	-26.14		-1.21	115.19	-2.10
	ii. Not Considered in Consolidation	-89.14		-2.85	119.89	-2.18

Note:

1. Names of associates/joint ventures which are yet to commence operations – NIL
2. Names of associates/joint ventures which have been liquidated or sold during the year – The Company has increased its stake in Instant Global Paytech Private Limited, the erstwhile Associate Company from 48% to 52.38%, accordingly it became a subsidiary of your Company w.e.f. May 06, 2020.
3. NSI Infinium Global Limited ceased to be an associate of your Company pursuant to sanction of the Composite Scheme of Arrangement by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated November 27, 2020.

For and on behalf of the Board of Directors

Vishal Mehta
Managing Director
DIN: 03093563

Ajit Mehta
Chairman
DIN: 01234707

Hiren Padhya
Chief Financial Officer

Shyamal Trivedi
Vice President & Company Secretary

Place: Gandhinagar
Date: May 27, 2021

Annexure – B

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2021, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Infibeam Avenues Limited's ("Infibeam" or "the Company") philosophy on Corporate Governance encompasses adherence to the highest levels of transparency, accountability and fairness, in all areas of its operations and in all interactions with all its stakeholders which reflects our value system encompassing our culture, policies. The Company believes that Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong corporate governance founded on values is the bedrock of the sustained performance at the Company and fuels the Company's vision to achieve the respect of stakeholders. The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

The Company's governance framework is based on the following principles:

- Follow the spirit of the law and not just the letter of the law, Corporate Governance standards should go beyond the law.
- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.
- Embracing a trusteeship model in which the management is the trustee of the Shareholders' capital.
- Making a clear distinction between personal convenience and corporate resources.

The Company has adopted a Code of Conduct for its employees including the Directors and the Key Managerial Personnel(s) ("KMPs"). In addition, the Company has adopted a Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The Company's Corporate Governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

SHAREHOLDERS

The Companies Act, 2013, the Listing Regulations prescribed the governance mechanism by shareholders in terms of passing of ordinary and special resolutions, voting rights, participation in the corporate actions such as bonus issue, buyback of shares, declaration of dividend, etc. Your Company follows a robust process to ensure that the shareholders of the Company are well informed of Board decisions both on financial and non-financial matters and adequate notice with a detailed explanation is sent to the shareholders well in advance to obtain necessary approvals.

BOARD OF DIRECTORS

a) Composition and category of Directors

We believe that our Board needs to be well diversified and have an appropriate mix of Executive, Non-executive and Independent Directors, to maintain its independence, and separate its functions of governance and management. The Listing Regulations mandate that for a Company with Non-Executive Chairman, who is a promoter, at least half of the Board should be Independent Directors. As on March 31, 2021, our Board comprised seven members, consisting of one Non-executive and Non-Independent Chairman, two Executive Directors including one Managing Director and four Independent Directors including one woman Independent Director. The Board periodically evaluates the need for change in its size and composition.

The present strength of the Board reflects a judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

b) Directors' Directorships/Committee memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Act or acts as a Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further, all Directors have informed about their Directorships, Committee Memberships/Chairmanships, including any changes in their positions during the year. Relevant details of the Board of Directors as on March 31, 2021 are given below:

Name of Directors	Category	No. of Board Meeting held and attended during the year		No. of Directorship in other Public Company*	No. of Committee positions held in other Companies		Attendance at the last AGM held on 30-09-2020 Yes / No	Directorship in other listed entity (Category of Directorship)
		Held	Attended		Chairman	Member		
Mr. Ajit Mehta DIN: 01234707	Promoter/ Non-Executive Chairman	09	08	01	0	0	Yes	-
Mr. Vishal Mehta DIN: 03093563	Promoter/ Managing Director	09	09	05	0	0	Yes	-
Mr. Vishwas Patel DIN: 00934823	Executive Director	09	08	02	0	0	Yes	-
Mr. Keyoor Bakshi DIN: 00133588	Independent Director	09	09	08	03	06#	Yes	1. Kiri Industries Limited (Non-Executive, Independent Director) 2. Gokul Agro Resources Limited (Non-Executive, Independent Director) 3. Saanvi Advisors Limited (Non-Executive, Independent Director) 4. TTL Enterprises Limited (Non-Executive, Independent Director) 5. Innovative Tyres & Tubes Limited (Non-Executive, Independent Director) 6. Praveg Communications (India) Limited (Non-Executive, Independent Director)
Mr. Roopkishan Dave DIN: 02800417	Independent Director	09	02	02	0	2	Yes	1. DRC Systems India Limited (Non-Executive, Independent Director)
Ms. Vijaylaxmi Sheth DIN: 07129801	Independent Director	09	07	0	0	0	Yes	-
Mr. Piyushkumar Sinha DIN: 00484132	Independent Director	09	09	03	0	1	Yes	1. Ujaas Energy Limited (Non-Executive, Independent Director) 2. Gujarat Gas Limited (Non-Executive, Independent Director)

* The Directorship held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Limited Companies, which were not the subsidiaries of Public Limited Companies.

Membership includes Chairmanship position.

Mr. Malav Mehta resigned from the position of Non-Executive Director on June 05, 2020, which was reported in the previous year's annual report, however, Mr. Malav Mehta had attended the Meeting of Board of Directors held on April 20, 2020 in the Financial year 2020-21.

Director's Inter-se Relationship:

Name of Directors	Relation	Name of Related Directors
Mr. Ajit Mehta	Father of	Mr. Vishal Mehta
Mr. Vishal Mehta	Son of	Mr. Ajit Mehta

None of the other directors are related to any other director on the Board.

c) Number of Board Meetings:

The Company adheres to the provisions of the Act read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries.

During the Financial Year 2020-21, 09 (Nine) meetings of the Board of Directors were held and the maximum time gap between two meetings did not exceed one hundred and twenty days. The notice and detailed agenda along with the relevant notes and other material information were sent in advance to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

The dates of the Board meetings are as under:

	Date(s) on which meeting(s) were held	
April 20, 2020	June 05, 2020	September 02, 2020
September 30, 2020	November 12, 2020	November 28, 2020
December 31, 2020	February 11, 2021	March 24, 2021

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the Meetings.

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance processes.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of Schedule V of the Listing Regulations.

d) Disclosures Regarding Appointment/Re-Appointment of Directors:

Mr. Ajit Champaklal Mehta, Director, is retiring at the ensuing Annual General Meeting, and being eligible, has offered himself for re-appointment.

In line with the requirements of Listing Regulations, the re-appointment/appointments were made keeping in mind proximity to 75 (seventy-five) years of age.

Brief resume and other relevant details of the Director proposed to be re-appointed are given in the Notice of the AGM.

e) The shareholding of the Directors of your Company as on March 31, 2021

Sr. No.	Name of Directors	Nature of Directorship	No. of shares held	Percentage to the paid up share capital
1.	Mr. Ajit Mehta	Non-Executive Chairman/ Promoter	6,02,29,560	4.52
2.	Mr. Vishal Mehta	Managing Director / Promoter	11,99,18,800	9.01
3.	Mr. Vishwas Patel	Executive Director	15,31,91,324	11.51
4.	Mr. Keyoor Bakshi	Non-Executive Director/ Independent	Nil	Nil
5.	Mr. Roopkishan Dave	Non-Executive Director/ Independent	1,000	0.00
6.	Ms. Vijaylaxmi Sheth	Non-Executive Director/ Independent	Nil	Nil
7.	Mr. Piyushkumar Sinha	Non-Executive Director/ Independent	Nil	Nil

* The Company has not issued any convertible instruments to any Directors of the Company during the Financial Year 2020-21.

f) Evaluation of the Board Effectiveness:

In terms of applicable provisions of the Act read with Rules framed thereunder and Part D of Schedule II of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis. The Board evaluation framework has been designed in compliance with the requirements under the Act and the Listing Regulations. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the Financial Year 2020-21.

Structured questionnaires were prepared to evaluate the performance of the Board as a whole, individual performance of each Director and self – assessment carried out by the Directors. The parameters of the performance evaluation process for Directors, inter alia, includes, effective participation in meetings of the Board, Contribution in strategy and other areas impacting company's performance, domain knowledge, attendance of Director(s), etc. In assessing the overall performance of the Board, the parameters included qualifications, experience and competency (in area of law, finance, accounting, economics, management, administration or another area relevant to the field in which the Company operates), bringing his/her experience and credibility to bear on the critical areas of performance of the organization, giving fair chance to other members to contribute, participates actively in the discussions and is consensus oriented. The questionnaires for assessing the performance of the Committees of the Board included aspects like understanding of the terms of reference by the Committee members, adequacy of the composition of the Committees, effectiveness of the discussions at the Committee meetings, information provided to the Committee to discharge its duties, performance of the Committee vis-à-vis its responsibilities, etc.

Regular evaluation of the Directors' creates more confidence in the integrity of the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge which enable Board members, individually and collectively, to develop the key skills required to meet foreseeable requirements with timely preparation, agreed strategies and appropriate development goals.

The Board of Directors at its meeting held on March 24, 2021, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees. The overall outcome of this exercise to evaluate effectiveness of the Board and its Committees was positive and members expressed their satisfaction.

g) Independent Directors:

The Company has on its Board, a group of eminent Independent Directors who have brought in an independent judgement to the Board's deliberations including issues of strategy, risk management and overall governance. They have played a pivotal role in safeguarding the interests of all stakeholders.

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Act and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirmed that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company. The maximum tenure of the Independent Directors is in compliance with the Act.

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

Policy of Code of Conduct and Term & Conditions of Appointment of Independent Director is placed on your Company's website at https://www.ia.ooo/code-of-conduct-policies.

h) Independent Directors' Meeting:

Schedule IV of the Act and the Rules thereunder mandate that the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. During the year under review, the Independent Directors met on February 11, 2021, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of your Company, taking into account views of Executive / Non- Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

i) Familiarisation Programme:

The Company conducts a Familiarization Programme for the Independent Directors to enable them to be familiarized with the Company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. They are provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole. They are updated on all business related issues and new initiatives. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

Further, on an ongoing basis, Independent Directors are regularly updated in the Board Meetings on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

As a process when a new Independent Director is appointed, a familiarization programme is conducted by the senior management team to apprise the newly appointed Independent Director and whenever a new member is appointed to a Board Committee, information relevant to the functioning of the Committee and the role and responsibility of Committee members is informed.

Brief details of the familiarization programme are uploaded on the website of your Company, https://www.ia.ooo/code-of-conduct-policies.

j) Key Board qualifications, expertise and attributes:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

International Business experience:	Experience in leading businesses in different geographies/markets around the world
General management/Governance:	Strategic thinking, decision making and protect interest of all stakeholders
Financial skills:	Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
Strategy and Planning:	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

The following is the list of core skills/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Name of Director	Area of skills/expertise/ competencies			
	International Business Experience	General Management Governance	Financial Skills	Strategy and Planning
Mr. Ajit Mehta	√	√	√	√
Mr. Vishal Mehta	√	√	√	√
Mr. Vishwas Patel	√	√	√	√
Mr. Keyoor Bakshi	√	√	√	√
Mr. Roopkishan Dave	√	√	√	√
Ms. Vijaylaxmi Sheth	√	√	√	√
Mr. Piyushkumar Sinha	√	√	√	√

Note: Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

COMMITTEES OF THE BOARD

The Board has constituted various Committees with an optimum representation of its members and has assigned them specific terms of reference in accordance with the Act and the Listing Regulations. These Committees hold meetings at such a frequency as is deemed necessary by them to effectively undertake and deliver upon the responsibilities and tasks assigned to them. Your Company currently has 5 (Five) Committees of the Board viz., Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

1. AUDIT COMMITTEE:

The primary objective of Audit Committee is, to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee overseas the work carried out in financial reporting process by the Management, internal auditors and independent auditors. The Audit Committee is responsible for selection, evaluation, and where appropriate, replacing the independent auditors in accordance with the law.

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the Financial Year ended March 31, 2021 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Keyoor Bakshi	Independent Director	Chairman	08	08
2.	Mr. Vishal Mehta	Managing Director	Member	08	08
3.	Mr. Roopkishan Dave	Independent Director	Member	08	01
4.	Mr. Piyushkumar Sinha	Independent Director	Member	08	08

Mr. Shyamal Trivedi, Vice President & Company Secretary, acts as a Secretary to the Committee.

The Committee invites the Statutory Auditors, Internal Auditors and other related functional executives of the Company to attend the meeting when required.

Date(s) on which meeting(s) were held		
April 20, 2020	June 05, 2020	September 02, 2020
September 30, 2020	November 12, 2020	December 31. 2020
February 11, 2021	March 24, 2021	-

The Chairman of the Audit Committee was present at the last AGM held on September 30, 2020.

The Audit Committee is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

A) Scope and functions:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act, as amended;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions; and
   g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

7. Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them;
8. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Issue by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties;
10. Scrutinising of inter-corporate loans and investments;
11. Valuing of undertakings or assets of the Company, wherever it is necessary;
12. Evaluating of internal financial controls and risk management systems;
13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussing with internal auditors on any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. Reviewing the functioning of the whistle blower mechanism;
21. Review and approve, policy formulated for determination of material subsidiaries;
22. Review and approve, policy on related party transactions and also dealing with related party transactions;
23. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Act or Listing Regulations or by any other regulatory authority.
25. Reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

B) Power of Audit Committee:

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

C) Reviewing Powers:

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
    a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
    b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the Listing Regulations.

2. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The constitution of the Stakeholders Relationship Committee of the Board of Directors of your Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020-21 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Ajit Mehta	Non-Executive Chairman	Chairman	04	04
2.	Mr. Roopkishan Dave	Independent Director	Member	04	01
3.	Mr. Piyush Kumar Sinha	Independent Director	Member	04	04

Date(s) on which meeting(s) were held	
June 06, 2020	September 02, 2020
November 12, 2020	February 11, 2021

The Committee looks into the matters of Shareholders/ Investors grievances along with other matters listed below:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

   Mr. Shyamal Trivedi, Vice President & Company Secretary is the Compliance Officer for complying with requirements of Securities Laws.

Investor Grievance Redressal:

Details pertaining to the number of complaints received and responded and the status thereof during the Financial Year 2020-21 are given below:

Nature of Complaints	Complaints received	Complaints resolved
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate Shares	0	0
Non-receipt of dividend warrants	0	0
Non-receipt of annual report	0	0
Dematerialization /Rematerialization of shares	0	0
Others	0	0

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attends all the grievances of the Shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are reviewed by the Board of Directors at the subsequent Board Meeting.

3. NOMINATION AND REMUNERATION COMMITTEE:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020-21 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Roopkishan Dave	Independent Director	Chairman	04	00
2.	Mr. Keyoor Bakshi	Independent Director	Member	04	04
3.	Mr. Piyushkumar Sinha	Independent Director	Member	04	04

Date(s) on which meeting(s) were held	
July 01, 2020	October 24, 2020
November 30, 2020	March 24, 2021

The Company Secretary acts as a Secretary to the Committee.

The Chairman of the Nomination and Remuneration Committee was present at the last AGM held on September 30, 2020.

The roles and responsibilities of the Committee covers the area as specified in the Listing Regulations, Act and other applicable laws, if any, besides other role and powers entrusted upon it by the Board of Directors from time to time. The roles and responsibilities of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.
7. Analysing, monitoring and reviewing various human resource and compensation matters;
8. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
9. Recommending the Board, remuneration payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
10. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
11. Performing such functions as are required to be performed by the compensation committee under the ESOP and other Regulations;
12. Suggesting to Board/ shareholder's changes in the Employee Stock Option Plan (ESOP) and Stock Appreciation Rights (SAR);
13. Deciding the terms and conditions of ESOP and SAR;
14. Identifying familiarization and training programs for the Board to ensure that Non-Executive Directors are provided adequate information regarding the operations of the business, the industry and their duties and legal responsibilities.
15. Performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Act or Listing Regulations or by any other regulatory authority.

Nomination and Remuneration Policy:

The Company has formulated a Nomination and Remuneration Policy which indicates criteria for making payment to Non-Executive Directors. As per the said Policy, the remuneration / commission paid to Non-Executive Directors shall be in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force. The Non-Executive / Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act per meeting of the Board or Committees.

The Nomination and Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at: https://www.ia.ooo/code-of-conduct-policies.

Details of Remuneration:

- **Remuneration to Non-Executive Directors (including Independent Directors):**

  The Non-Executive Directors of the Company are paid remuneration by way of sitting fees. During the Financial Year 2020-21, the Company paid sitting fees to the Directors for attending meetings of the Board/Committee/Independent Director.

  The Company has also taken a Directors' & Officers' Liability Insurance Policy.

- **Remuneration to Executive Directors:**

  The Board in consultation with the Nomination and Remuneration Committee decides the remuneration structure for Executive Directors etc. On the recommendation of the Nomination and Remuneration Committee, the Remuneration payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

Details of remuneration paid to Directors for the financial year 2020-21 is as under: **(₹ In Million)**

Name of Directors	Designation	Sitting fees	Salary & Perquisites	Commission	Total
Mr. Ajit Mehta	Non-Executive Chairman	0.21	0.00	0.00	0.21
Mr. Vishal Mehta	Managing Director	0.00	0.00	0.00	0.00
*Mr. Malav Mehta	Non-Executive Director	0.02	0.00	0.00	0.02
Mr. Vishwas Patel	Executive Director	0.00	0.00	0.00	0.00
Mr. Keyoor Bakshi	Independent Director	0.31	0.00	0.00	0.31
Mr. Roopkishan Dave	Independent Director	0.08	0.00	0.00	0.08
Ms. Vijaylaxmi Sheth	Independent Director	0.17	0.00	0.00	0.17
Mr. Piyushkumar Sinha	Independent Director	0.37	0.00	0.00	0.37
Total		**1.16**	**0.00**	**0.00**	**1.16**

*Mr. Malav Mehta has resigned from the office of Non-Executive Director w.e.f. June 05, 2020.

No Stock Option has been offered to the Directors during the Financial Year 2020-21.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees. The Company has no pecuniary relationship with Non-Executive Independent Directors except for payment of sitting fees for attending meetings of the Board/Committees thereof.

Performance Evaluation:

In line with the provisions of the Act and SEBI Guidance Note on Board evaluation issued on January 5, 2017 read with relevant provisions of the SEBI Listing Regulations, 2015 and other applicable provisions, if any, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual directors through the separate meeting of Independent Directors and the Board as a whole. On the basis of performance evaluation of Independent Directors, it is determined whether to extend or continue their term of appointment, whenever their respective term expires.

The Independent Directors at their separate meeting reviewed the performance of the Non-Independent Directors and the Board as a whole, Chairperson of the Company, and also took into consideration the views of the Executive Directors and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Company management and the Board.

The performance evaluation process for the financial year 2020-21 has been completed.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The role of the Corporate Social Responsibility Committee **("CSR")** is governed by its Charter and its composition is in compliance with the provisions of Section 135 of the Act and rules made thereunder.

The Composition of the Corporate Social Responsibility Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020-21 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Ms. Vijaylaxmi Sheth	Independent Director	Chairman	02	02
2.	Mr. Vishal Mehta	Managing Director	Member	02	02
3.	Mr. Piyush Kumar Sinha	Independent Director	Member	02	02

Date(s) on which meeting(s) were held	
June 06, 2020	February 11, 2021

The role of CSR Committee is as under:

a. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Act and rules thereunder**;**

b. Recommend the amount of expenditure to be incurred on the activities;

c. Monitor the CSR Policy of the Company from time to time; and

d. Such other activities as the Board of Directors may determine from time to time.

A CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act and the CSR Expenditure thereon. The CSR policy of the Company is available on the website of the Company https://www.ia.ooo/code-of-conduct-policies.

5. RISK MANAGEMENT COMMITTEE:

The composition of the Committee is in conformity with the Listing Regulations, with majority of members being Directors of the Company.

The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Composition of the Risk Management Committee as at March 31, 2021 is as under:

Sr. No.	Name of Member	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1	Mr. Vishal Mehta	Managing Director	Chairman	01	01
2	Mr. Ajit Mehta	Non-Executive Director	Member	01	01
3	Mr. Hiren Padhya	Chief Financial Officer	Member	01	01
4	Mr. Roopkishan Dave*	Independent Director	Member	-	-

*Mr. Roopkishan Dave was appointed as a Member of the Risk Management Committee w.e.f. May 27, 2021 as the new amendment introduced on May 05, 2021 in the Listing Regulations required an Independent Director to be a part of the Risk Management Committee.

Date(s) on which meeting(s) were held
September 02, 2020

The role of Risk Management Committee is as under:

- To approve and review the risk treatment plans put in place by management;
- *To formulate a detailed risk management policy which shall include:

a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes for internal control of identified risks.

c. *Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems including but not limited to cyber security and related risks;
- To periodically review the risk management policy, at least once in two years, by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

* Following are the new terms of references adopted by the Board of Directors at its meeting held on May 27, 2021 abiding by the new amendment introduced on May 05, 2021 in the Listing Regulations.

SUBSIDIARY COMPANIES

As on March 31, 2021, Your Company does not have a material subsidiary Company in terms of Regulation 16 of the Listing Regulations. A synopsis of the minutes of the Board Meetings of the Subsidiary Companies are placed at the Board meeting of your Company on a periodical basis. The Audit Committee reviews the Consolidated Financial Statements including investments by the unlisted subsidiaries of your Company.

The Policy for determining "material" subsidiaries has been placed on the website of your Company i.e. www.ia.ooo

GENERAL BODY MEETINGS

a. Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue
2017-18	29-09-2018	10:30 a.m.	23rd Floor, Gift Two Building, Block No. 56, Road – 5C, Zone – 5, Gift City, Gandhinagar – 382 355 **No Special Resolution was Passed.**
2018-19	30-07-2019	10.30 a.m.	23rd Floor, Gift Two Building, Block No. 56, Road – 5C, Zone – 5, Gift City, Gandhinagar – 382 355 **Special Resolutions:** a. Reappointment of Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) as an Independent Director b. Reappointment of Mr. Roopkishan Sohanlal Dave (DIN: 02800417) as an Independent Director. c. Reappointment of Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) as an Independent Director. d. To Consider Removal of M/S. S R B C & Co., LLP as one of the Joint Statutory Auditors of the Company. e. Approval of the Employee Stock Option Plan 2019-20 of the Company and Grant of Employee Stock Options to the Employees of the Company thereunder. f. Approval of the Employee Stock Option Plan 2019-20 and Grant of Employee Stock Options to the Employees of Present and Future Subsidiaries of the Company under the Scheme g. Approval Pursuant to Section 185 of the Companies Act, 2013
2019-20	30-09-2020	09.30 a.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular dated May 05, 2020 **Special Resolutions:** a. Approval pursuant to Section 185 of the Companies Act, 2013

b. Whether special resolutions were put through postal ballot last year, details of voting pattern:

During the year under review, no resolution was passed through Postal Ballot.

c. Whether any special resolution is proposed to be conducted through postal ballot:

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

We have established robust procedures to disseminate relevant information in a planned manner to our Shareholders, analysts, employees and the society at large. The details of the means of communication with Shareholders/ analysts are given below:

1. Publication of quarterly results:

Quarterly, Half-yearly and Annual Financial Results of the Company are sent to the Stock Exchanges and published in the leading English and vernacular language newspaper, viz., Financial Express – National Daily all editions and Financial Express – Gujarati edition. Simultaneously, they are also put on the Company's website and can be accessed at www.ia.ooo.

2. Press Releases, News releases and Presentations to the institutional investors / analysts:

Official news releases, press releases and presentations are made to the institutional investors and financial analysts on the Company's quarterly, half - yearly as well as annual financial results. These press releases, presentations and schedule of analyst or institutional investors meet are also put on the Company's website and can be accessed at www.ia.ooo as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in the meeting or in the presentation with institutional investors and financial analysts.

3. Website:

The Company's website, www.ia.ooo contains a separate dedicated section 'Investor Relations' where Shareholders' information is available.

4. Annual Report:

The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in a downloadable form on the Company's website i.e. www.ia.ooo.

5. Stock Exchange:

The Company makes timely disclosures of necessary information to the BSE Limited and the NSE in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

6. NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & the Listing Centre:

NEAPS is a web-based application designed by NSE for corporates. BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, financial results, Shareholding Pattern, Corporate Governance Report, Corporate Announcements, statement of investor complaints, amongst others are in accordance with the Listing Regulations filed electronically on NEAPS/ BSE Listing centre.

7. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

8. Exclusive email ID for investors:

The Company has designated the email id ir@ia.ooo exclusively for investor servicing.

GENERAL SHAREHOLDER INFORMATION

(i) Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L64203GJ2010PLC061366.

(ii) Annual General Meeting:

Date	: September 23, 2021
Day	: Thursday
Time	: 10:00 a.m.
Place	: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and as such there is no requirement to have a venue for the AGM. For more details please refer to the Notice of this AGM.

(iii) Financial Calendar:

Financial Year	: April 01 to March 31
Tentative Schedule for declaration of results during the Financial Year 2021-22	
First Quarter	: Mid August, 2021
Second Quarter and Half yearly	: Mid November, 2021
Third Quarter and Nine Months	: Mid February, 2022
Fourth Quarter and Annual	: End of May, 2022

(iv) Dividend Payment Date : Final Dividend of ₹ 0.05/- per Equity Share (i.e. 5%) fully paid up for the Financial Year 2020-21 has been recommended by the Board of Directors to Shareholders for their approval, following issue of Bonus Shares (effectively 10% dividend pre allotment of Bonus Shares). If approved, the dividend shall be paid on or after September 24, 2021.

- **Dividends declared in the past –**

Financial Year	Type of dividend	Amount of Dividend per Share	Date of declaration	Due date for transfer to IEPF
2017-18	Interim	0.10	February 14, 2018	March 22, 2025
	Final	0.10	September 29, 2018	November 4, 2025
2019-20	Interim	0.10	October 25, 2019	November 30, 2026

- **Unclaimed Dividend/ Shares**

  Pursuant to the provisions of Section 124(5) of the Act, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz**.** www.ia.ooo.

  During the year under review, the Company has not transferred any Unclaimed Dividend to IEPF.

- **Mandatory Transfer of Shares to Demat Account of IEPF in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years**

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

  Consequent to the above, during the Financial Year 2020-21, none of the Equity Shares of the Company were transferred to the IEPFA.

(v) Dividend Distribution Policy:

As per Regulation 43A of the Listing Regulations, the top 1000 listed companies shall formulate a Dividend Distribution Policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at https://www.ia.ooo/code-of-conduct-policies.

(vi) Record Date: The Company has fixed Thursday, September 16, 2021 as the 'Record Date' for the purpose of 11th AGM and for determining entitlement of members to receive dividend for the financial year ended 31st March, 2021, if approved at the AGM.

(v) Listing on Stock Exchanges:

Sr. No.	Name of Stock Exchange(s)	Stock Code (s)	ISIN for Depositories
1.	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	539807	INE483S01020
2.	**National Stock Exchange of India Limited (NSE)** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	INFIBEAM	

Your Company has paid the listing fees to BSE and NSE for the Financial Year 2021-22.

(vi) Market Price Data:

The monthly high and low prices and volumes of your Company's shares at BSE and NSE for the year ended March 31, 2021 are as under:

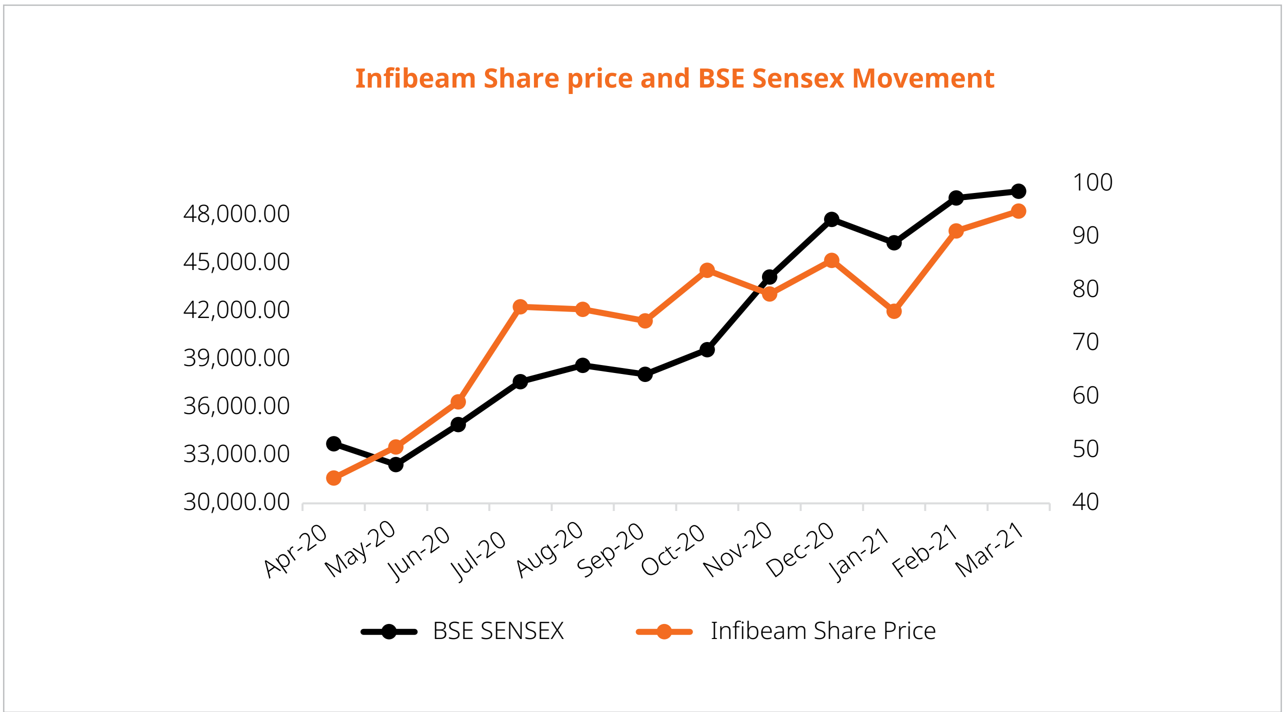
Months	BSE			NSE		
	High (In ₹)	Low (In ₹)	Volume (No. of Shares)	High (In ₹)	Low (In ₹)	Volume (No. of Shares)
2020						
April	49.55	32.10	48,05,996	49.35	32.25	4,18,98,537
May	56.80	41.10	19,94,359	56.50	41.10	1,21,25,799
June	68.50	50.70	16,12,865	68.50	50.00	2,79,41,509
July	79.10	56.10	18,50,417	79.00	56.40	2,98,51,866
August	78.35	70.50	10,02,250	78.00	70.20	1,82,58,354
September	84.00	70.65	34,36,344	83.95	70.50	2,46,27,489
October	94.05	74.50	20,35,051	94.00	74.20	2,31,81,514
November	87.40	77.20	31,44,359	87.50	77.20	2,70,54,566
December	97.90	80.50	22,60,762	97.00	79.50	3,49,98,543
2021						
January	96.45	74.05	42,33,390	97.00	74.00	1,37,18,751
February	94.80	74.60	68,57,649	94.75	74.45	3,08,28,721
March*	111.80	40.55	7,55,31,493	113.70	40.50	29,70,52,129

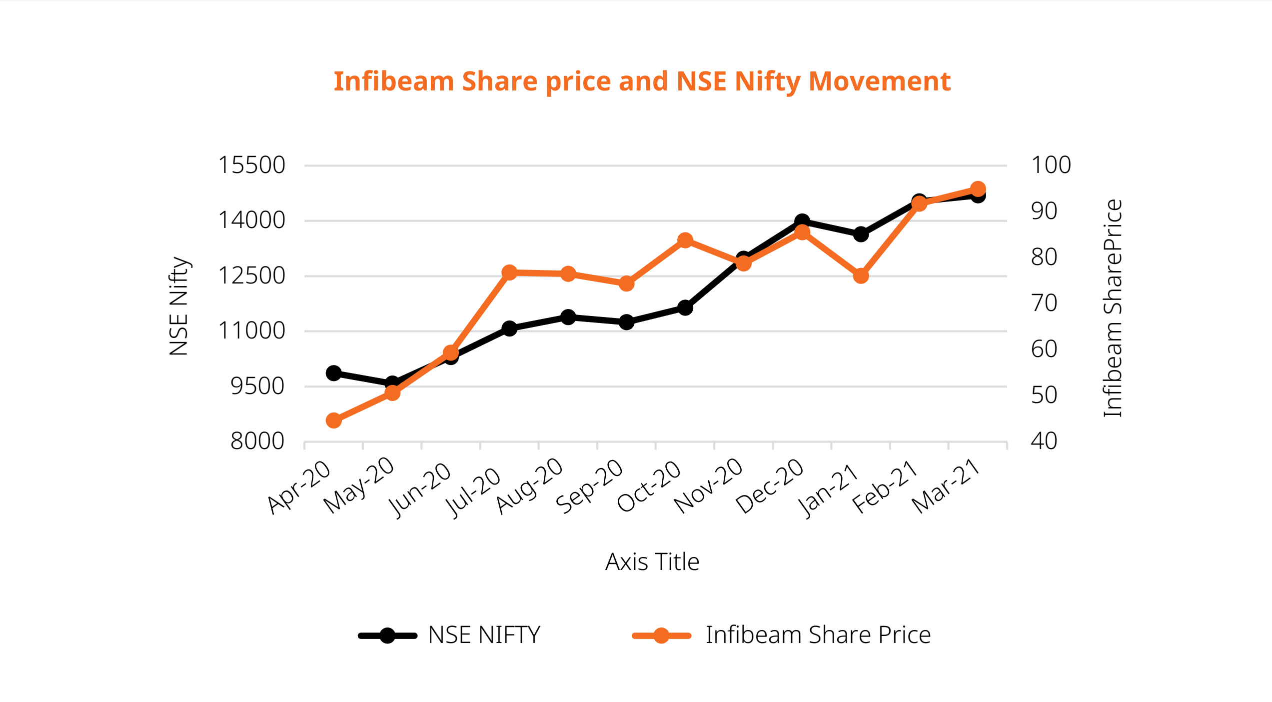
(Source: BSE and NSE website)

* During the financial year under review, Bonus Shares in the ratio of 1:1, were issued and allotted in the month of March, 2021.

(vii) Performance of the Share price of the Company in comparison to the BSE SENSEX and NSE NIFTY:

The chart below shows the comparison of the Company's share price movement vis-à-vis the movement of the BSE SENSEX and NSE Nifty for the financial year ended March 31, 2021 (based on month end closing):





Note: The shares traded during the month of March, 2021 have been indexed to pre bonus share issue quantum.

(viii) In case the securities of the Company are suspended from trading, the reasons thereof

The Securities of the Company are not suspended from trading on the stock exchanges where the Company is listed.

(ix) Registrars & Transfer Agent

Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:

Link Intime India Private Limited	
C-101, 247 Park L.B.S. Marg, Vikroli (West), Mumbai- 400 083 Tel: +91 22 4918 6270 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in	5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC -1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off C.G. Road, Ahmedabad - 380 009 Tel: +91 79 2646 5179/86/87 Fax: + 91 79 2646 5179 E-mail: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

(x) Share Transfer System:

To expedite the transfer of shares held in physical mode, the powers to authorise transfers have been delegated to specified officials of the RTA and Company. The transfers which are complete in all respects are taken up for approval generally every seven days and the transferred securities are dispatched to the transferee within fifteen days. The details of transfers / transmission approved by the delegates, if any are noted by the Stakeholders' Relationship Committee at its next meeting. The Company obtains from a Company Secretary in Practice a half-yearly certificate of compliance pertaining to the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

The Securities and Exchange Board of India has mandated transfer of securities (except in case of transmission or transposition of securities) only in dematerialized form with effect from April 1, 2019, baring certain instances. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

SEBI in its circular having reference no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020 had clarified that the transfer deeds lodged prior to deadline of April 01, 2019 and rejected / returned due to deficiency in the documents may be re-lodged with requisite documents, however, the SEBI in the same circular had mentioned March 31, 2021 as the cut-off for the re-lodgements of transfer deeds, the requests received in this behalf from the Shareholders before the cut-off, would have been honoured only if the securities were in dematerialised mode.

In case of Shares in electronic form, the transfers are processed by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) through the respective Depository Participants.

Transactions involving issue of share certificates, namely, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates etc. should be addressed to RTA of the Company at the address given above and the same are approved by the Stakeholders Relationship Committee.

(xi) Distribution of Shareholding as on March 31, 2021:

Shareholding (No. of Shares)	No. of Share Holders		No. of Shares	
	Number	% of Total	Shares	% of Total
Upto – 500	51,929	77.74	68,91,996	0.52
501 – 1000	6,687	10.01	53,09,628	0.40
1001 - 2000	3,422	5.12	55,92,822	0.42
2001 – 3000	1,094	1.64	28,35,945	0.21
3001 - 4000	773	1.16	28,96,761	0.22
4001 - 5000	418	0.62	19,53,813	0.15
5001 - 10000	980	1.47	74,61,957	0.56
10001 and above	1,498	2.24	1,29,81,10,658	97.52
Total	**66,801**	**100.00**	**1,33,10,53,580**	**100.00**

(xii) Category of Shareholders as on March 31, 2021:

Category	No. of Shares held	% of Shareholding
Promoters & Promoter's group	42,46,37,344	31.90
Financial Institution & Banks	62	0.00
Foreign Portfolio Investors	8,07,36,434	6.07
Mutual Funds	0	0.00
Bodies Corporate	16,29,68,688	12.24
NRI	2,04,56,924	1.54
Individual	58,71,02,139	44.11
HUF	1,53,14,524	1.16
Trusts	62,000	0.00
Clearing Member	3,39,98,543	2.55
NBFCs registered with RBI	1,84,300	0.01
Employee Benefit Trust	55,92,622	0.42
Total	**1,33,10,53,580**	**100.00**

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

Your Company does not have any outstanding GDRs/ADRs/ Warrants/Convertible Instruments as on March 31, 2021.

Particulars with regard to Employees' Stock Options are put up on the Company's website i.e. www.ia.ooo.

(xiv) Dematerialisation of Shares and Liquidity:

Equity shares of the Company can be traded only in electronic mode by all the investors. The Company has entered into an agreement and established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Approximately 99.99% of the Equity Shares have been dematerialised as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE483S01020.

The Company's shares are frequently traded on the 'BSE Limited' and the 'National Stock Exchange of India Limited'.

The shareholders holding shares in physical form are requested to dematerialize their shares for safeguarding their holdings and managing the same hassle free. Shareholders are accordingly requested to get in touch with any of the Depository Participant(s) registered with SEBI to open a Demat account.

The said measure of SEBI is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities in demat form will improve ease, convenience and safety of transactions for investors.

(xv) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

(xvi) Plant Locations: Not Applicable

(xvii) Address for Correspondence:

For any queries relating to the shares of your Company, correspondence may please be addressed to **Link Intime India Private Limited** at:

5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC -1),
Beside Gala Business Centre,
Near St. Xavier's College Corner,
Off C G Road, Ahmedabad - 380 009
Tel No.: +91 79 2646 5179/86/87
Email: ahmedabad@linkintime.co.in,
Website: www.linkintime.co.in

For the benefit of shareholders, documents will continue to be accepted at the following Registered Office of the Company:

Infibeam Avenues Limited
CIN: L64203GJ2010PLC061366
28th Floor, GIFT Two Building, Block No. 56,
Road – 5C, Zone - 5, GIFT CITY, Gandhinagar,
Taluka & District - Gandhinagar – 382 355
Gujarat, India
Tel: +91 79 6777 2204 Fax: +91 79 6777 2205
E-mail: ir@ia.ooo Website: www.ia.ooo

Compliance Officer: Mr. Shyamal Trivedi, Vice President & Company Secretary

(xviii) Credit Ratings:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended March 31, 2021.

During the year under review, there has been no revision in the rating. The long term rating is stable to [ICRA] A- for outstanding Bank facilities by ICRA Limited due to moderation in margins while scaling up certain new business segment.

OTHER DISCLOSURES

(i) Related Party Transactions:

There were no material Related Party Transactions having potential conflict with the interests of the Company at large during the Financial Year 2020-21. All the transactions entered into by your Company with related parties, during the Financial Year 2020-21, were in ordinary course of business and on arm's length basis. The details of the related party transactions are set out in the Notes to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by your Company were in compliance with the provisions set out in the Act and Regulation 23 of the Listing Regulations.

The policy on related party transactions has been placed on the Company's website and can be accessed through the following link: https://www.ia.ooo/code-of-conduct-policies

(ii) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

(iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years: **Not applicable**.

(iv) Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and Prevention of Sexual Harassment Policy, has established the necessary vigil mechanism and procedures and it affirms that no personnel has been denied access to the Audit Committee. The said policies are also posted on the website of the Company at https://www.ia.ooo/code-of-conduct-policies.

(v) The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents. The said policies have been displayed on the website of the Company at https://www.ia.ooo/code-of-conduct-policies.

(vi) Adoption of Mandatory and Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has also adopted the following non-mandatory requirements of Regulation 27 and Regulation 34 of the Listing Regulations:

a. The Chairman of the Company is a Non-Executive Director.

b. Internal Auditors of the Company make direct presentations of their reports to the Audit Committee.

c. The auditors' reports on statutory financial statements of the Company are made with an unmodified opinion.

d. The quarterly, half-yearly and annual financial results of the Company are published in the newspapers and also posted on the Company's website i.e. www.ia.ooo. The same are also available on the websites of stock exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

(vii) Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations: Nil

(viii) Certificate from Practicing Company Secretary:

Ashish C. Doshi, Partner of SPANJ & Associates, Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the board of the Company have been debarred or disqualified by the Board/MCA or any such statutory authority from being appointed or are continuing as directors of companies. The certificate regarding the aforesaid compliance is enclosed in this section.

(ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

Not Applicable

(x) Remuneration to Statutory Auditors:

As required under Regulation 34 read with Part C of the Schedule V of the Listing Regulations, the Total Fees paid by the Company and its Subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/ entity of which the statutory auditor is a part are as under:

Type of Services	Amount (₹ in Million)
Audit Fee	1.5
Limited Review Fee	4.5
Certification charges	0.03
Out of Pocket Fees reimbursement	0.03
Total	**6.06**

(xi) Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The policy is also available on the website of the Company https://www.ia.ooo/code-of-conduct-policies.

(xii) The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the Financial Year 2020-21 are as under:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	NA
Number of complaints pending as on end of the financial year	NA

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

(xiv) Dividend:

The Company provides the facility of direct credit of the dividend to the member's bank account. Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account.

(xv) Code of Conduct for Prevention of Insider Trading:

The Board has adopted a code for the Prevention of Insider Trading in the securities of the Company. The Code inter alia requires pre-clearance from Designated Persons for dealing in the securities of the Company as per the criteria specified therein and prohibits the purchase or sale of securities of the Company by Designated Persons while in possession of Unpublished Price Sensitive Information in relation to the Company besides during the period when the trading window is closed.

(xvi) Code of Conduct:

The Company has laid down a Code of Conduct for the Members of Board of Directors and Senior Management Personnel. This code has been displayed on the Company's website at https://www.ia.ooo/code-of-conduct-policies.

(xvii) Reconciliation of Share Capital Audit:

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (collectively Depositories) and held in physical form, with the total issued and listed capital. The Certificate confirming the same is submitted to BSE and the NSE on a quarterly basis.

(xviii) CEO/CFO Certification:

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the Financial Year 2020-21 signed by Mr. Vishal Mehta, Managing Director and Mr. Hiren Padhya, Chief Financial Officer was placed before the Board of Directors of the Company at its meeting held on May 27, 2021.

(xix) Annual Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within the timelines as prescribed in the Listing Regulations or as may be prescribed by SEBI in this behalf.

The Company has submitted the Annual Secretarial Compliance Report to the stock exchanges within the prescribed timelines as prescribed by the SEBI.

(xx) Equity Shares in the Suspense Account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of Equity Shares in the suspense account are as follows:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	02	350
Shareholders who approached the Company for transfer of shares from suspense account during the year	00	00
Shareholders to whom shares were transferred from the suspense account during the year	00	00
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	00	00
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	02*	350*

* The Company has transferred the Equity Shares underlying in the Infibeam Avenues Limited - Unclaimed Securities Suspense Account ("Suspense Account"), pursuant to the Bonus Issue, to the Shareholders' demat a/c, as per the below mentioned details:

Sr. No.	Date of credit in the Shareholder's Account	No of Equity Shares Underlying in the Suspense Account
1	June 03, 2021	300
2	June 09, 2021	50

(xxi) Others:

A. Non-resident shareholders:

Non-resident shareholders are requested to immediately notify:

a. Indian address for sending all communications, if not provided so far;

b. Change in their residential status on return to India for permanent settlement; and

c. Particulars of their Non Resident Rupee Account, whether repatriable or not, with a bank in India, if not furnished earlier.

B. Updation of shareholders details:

1. Shareholders holding shares in physical form are requested to notify the changes to the Company/ its RTA, promptly by a written request under the signatures of sole/first joint holder; and

2. Shareholders holding shares in electronic form are requested to send their instructions directly to their DPs.

C. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.

D. Nomination of Shares:

Section 72 of the Act extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Form No. SH-13 annexed to this report or download the same from the Company's website.

E. Email Id registration:

To support the green initiative, shareholders are requested to register their email address with their DPs or with the Company's RTA, as the case may be. Communications in relation to Company like Dividend credit intimations, Notice of AGM and Annual Report are regularly sent electronically to such shareholders who have registered their email addresses.

DECLARATION

As provided under Regulation 26 (3) of the Listing Regulations, all Board Members and Senior Management Personnel have affirmed the compliance with the provisions of the code of conduct for the year ended on March 31, 2021.

Ajit Mehta
Chairman
[DIN: 01234707]

Place: Gandhinagar
Date: August 23, 2021

COMPLIANCE CERTIFICATE

To,
The Board of Directors
Infibeam Avenues Limited
Gandhinagar.

We, Vishal Mehta, Managing Director and Hiren Padhya, Chief Financial Officer of Infibeam Avenues Limited hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the Financial Year ended on March 31, 2021 and that to the best of our knowledge and belief:

    1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year 2020-21, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee that:

    1. There has not been any significant change in internal control over financial reporting during the year;

    2. There has not been any significant change in accounting policies during the year; and

We are not aware of any instances of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: **Gandhinagar**	**Vishal Mehta**	**Hiren Padhya**
Date: **May 27, 2021**	**Managing Director**	**Chief Financial Officer**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
INFIBEAM AVENUES LIMITED
{CIN: L64203GJ2010PLC061366}
Gandhinagar

We have examined the compliance of conditions of Corporate Governance by **INFIBEAM AVENUES LIMITED**, for the year ended **31st March, 2021**, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us along with documents & submissions for regulatory compliances provided for our verification in electronic form in online system in view of the prevailing situation in the country and representation made by the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Moreover, as per information provided by the Company and declarations provided by the directors, in terms of schedule V, Part C, Clause (10)(i), we further state that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sign: ____________________
ASHISH C DOSHI, PARTNER
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
COP No.: 2356
P R Certi No. : 702/2020
UDIN : F003544C000825200

Date: August 23, 2021
Place : Ahmedabad

Annexure - C

BUSINESS RESPONSIBILITY REPORT

(Pursuant to Regulation 34 (2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Introduction

Infibeam Avenues Limited ("Infibeam") provides digital payment solutions, and a complete Software as a Service (SaaS) technology framework and testing along with high speed compute and storage data center service to businesses and governments ("B2B customers") who want to do online commercial transactions – Infibeam Avenues Financial Technology Services ("IFS"). The Company provides IFS to B2B customers in India, UAE, Saudi Arabia and the United States of America, across industry verticals.

As part of Digital Payments Solutions, the Company offers multi-channel payment processing services through its brand CCAvenue to an estimated over 70% of India's e-Merchants. CCAvenue is a PCI DSS 3.2 compliant payment gateway platform and one of India's largest direct debit engine. The payment platform offers nearly 200 payment options connecting many Indian and international banks based in India on a real-time basis to process payments through Net Banking and also processes all types of Credit Cards, Debit Cards and Digital Wallets including UPI payments. CCAvenue ranks second in India in terms of net profit, and third in terms of revenue market share as well as value of payments processed. CCAvenue also offers highest number of wallet and EMI options on its payment platform, in India. In the UAE, CCAvenue ranks second in terms of payment processed among all the non-bank private players.

The Company's end-to-end, modular, customizable and scalable cloud-based enterprise software platform allows enterprise merchants to transact online, manage the back-end (orders, inventory, and logistics), marketing, and accepting digital payments. Infibeam is an exclusive e-commerce technology provider offering its e-commerce platform for one of India's largest marketplace, "GeM" (Government of India e-Marketplace) processing tens of thousands of crore worth of transactions on the e-commerce platform, annually.

The Company's Tier III certified data center built in collaboration with Schneider and IBM offers high speed compute and storage services.

In addition, Infibeam also holds stake in two other FinTech companies, having high growth opportunities in India and internationally which will potentially allow the Company to expand its digital payments and platforms businesses globally.

The disclosures in this report are aligned to the Principles of Business Responsibility as prescribed under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs, Government of India. This report provides transparent and relevant information on the Company efforts and its performance against the nine principles of Business Responsibility.

Section - A

GENERAL INFORMATION ABOUT THE COMPANY:

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L64203GJ2010PLC061366
2.	Name of the Company	Infibeam Avenues Limited
3.	Registered address	28th Floor, GIFT Two Building, Block No. 56, Road – 5C, Zone -5, GIFT CITY, Gandhinagar - 382 355 Gujarat, India.
4.	Website	www.ia.ooo
5.	Email id	ir@ia.ooo
6.	Financial year reported	April 1, 2020 to March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	National Industrial Classification 2008 Section J: Information and Communication Code: 62013 Section K: Financial and Insurance activities Code: 66190
8.	Three key products/services of the Company (as in balance sheet)	Digital payment and checkout web services E-commerce related web services
9.	Total number of locations where business activity is undertaken by the Company	
(a)	Number of international locations	Zero (0)
(b)	Number of National locations	Three (03)
10.	Markets served by the Company	Local ✓ / State ✓ / National ✓ / International ✓

Section – B

FINANCIAL DETAILS OF THE COMPANY:

Sr. No.	Particulars	Details
1.	Paid up capital as on March 31, 2021	Rs. 1,331.05 Million
2.	Total turnover for F.Y. 2020-21	Rs. 5,858.44 Million (Standalone)
3.	Total profit after taxes for F.Y. 2020-21	Rs. 494.02 Million (Standalone)
4.	Total spending on Corporate Social Responsibility (CSR) as a percentage of Profit After Tax (%) for F.Y. 2020-21	1.95%
5.	List of activities in which expenditure in 4 above has been incurred	Refer Annexure E to Board's Report for CSR Activities

Section - C

OTHER DETAILS:

Sr. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company/ Companies?	Yes, refer Annexure A to Board's Report
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s)	The Subsidiaries are separate entities and hence they follow BR Initiatives as per the rules and regulations applicable to them.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity / entities participates in the BR initiatives of the Company.

Section - D

BUSINESS RESPONSIBILITY ("BR") IN FORMATION:

1. Details of Director(s) responsible for BR

(a) Details of the Director responsible for implementation of the BR policy (ies)

Sr. No.	Particulars	Details
1.	DIN	03093563
2.	Name of Director	Mr. Vishal A. Mehta
3.	Designation	Managing Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN	03093563
2.	Name of Director	Mr. Vishal A. Mehta
3.	Designation	Managing Director
4.	Telephone Number	+91 79 6777 2204
5.	Email ID	ir@ia.ooo

2. Principle-wise (as per National Voluntary Guidelines) BR Policy (ies)

Infibeam Avenues Limited is primarily engaged in the business of offering digital payments, data center as a service and cloud-based enterprise platforms. The Company also offers other ancillary value-added services. The following sections capture BR compliances at the Group level.

P1. Business should conduct and govern themselves with Ethics, Transparency and Accountability

P2. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3. Businesses should promote the well-being of all employees.

P4. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5. Businesses should respect and promote human rights.

P6. Businesses should respect, protect, and make efforts to restore the environment.

P7. Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8. Businesses should support inclusive growth and equitable development.

P9. Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of Compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy (ies) for …	Y This forms part of the Code of Conduct and Whistle blower Policy. https://www.ia.ooo/code-of-conduct-policies	Y This is a part of the Ecological Sustainability Policy and the Code of Conduct.	Y This forms a part of the Code of Conduct & Internal HR Policies for Employees.	Y The Company does not have a specific policy, however certain aspect of this principle forms part of the CSR Policy.	Y This forms a part of the Code of Conduct.	Y This forms a part of the Company's Ecological Sustainability Policy.	N	Y The Company has a CSR Policy.	Y The Company has a Consumer Policy Code of Conduct.
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	-	Y	Y
		The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company. The policies are based on and are in compliance with the applicable regulatory requirements and International Standards. Please refer the detailed report for more information.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	Y
		As a process, all the policies have been considered and noted by the Board. The Board authorised the Senior Officials of the Company to authenticate the policies.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6.	Indicate the link for the policy to be viewed online	All Policies which are statutorily required to be placed on the Company's website can be accessed through the following link: https://www.ia.ooo/code-of-conduct-policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
		The policies have been formally communicated to internal and external stakeholders, wherever applicable and required.								
8.	Does the Company have in-house structure to implement the Policy / Policies	Y	Y	Y	Y	Y	Y	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the Policy / Policies to address stakeholders' grievances related to the policy (ies)	Y	Y	Y	Y	Y	Y	-	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of these policies by an internal or external agency?	Y	Y	Y	Y	Y	Y	-	Y	Y
		The Heads of Departments are responsible for effective implementation of the Policies. While the Company has not carried out independent audit of the policies, the Internal Audit Function periodically looks at the implementation of the policies.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 Options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)							√		
		Considering the business activities of the Company and the nature of its business, the Board has not felt the need to formulate certain policies. However, the Board reviews the requirements from time to time and Company will formulate relevant policies as and when the need arises.								

3. Governance related to BR

Sr. No.	Particulars	Details
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company (Within 3 months, 3-6 months, Annually, More than 1 year).	The Board of Directors of the Company, either directly or through its Committees periodically assesses the BR performance of the Company.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company Annual Report includes articulation of the 9 NVG 2011 principles. The Annual Report is also uploaded on the website of the Company i.e. www.ia.ooo

Section – E

PRINCIPLE -WISE PERFORMANCE:

Principle -1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

Company's Code of Conduct ("The Code") originates from the principles of Ethics, Transparency and Accountability and complies with the legal requirements of applicable laws and regulations. It underlines the belief that ethical behaviour in all operations is the corner stone guiding our governance of economic, social and environmental responsibilities. All the employees of the Company and its subsidiaries are expected to adhere to the Code and report its violation as and when observed. The Code as well as the Company's Policy on Prevention of Fraud applies to all the affiliates of the Company and also across the entire value chain of the Company.

The Company has a well-defined Whistle Blower Policy in place to provide the employees of the Company and its subsidiaries a mechanism to raise concern with respect to any unlawful or unethical activity or violation of law or the Code including the policies formulated thereunder.

Compliance with the statutory requirements has always been one of the focus areas. There is a centralized compliance function which enables business teams know their statutory responsibilities and ways to fulfil those responsibilities. The compliance function, while on one hand keeps the Board and the senior management updated about the status of compliance with statutory requirements, on the other hand works with business teams to build capabilities through trainings and assessments.

The system works through processes that not only ensures compliance with the requirements prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, by making timely disclosures to stock exchanges, declarations by designated persons, preapproval of trading plans etc. but also moves ahead with the help of the Company's Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information. The Code is applicable to those employees of the Company, its subsidiaries and joint ventures, who may be deemed to have access to unpublished price sensitive information.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company's stakeholders includes investors, clients, employees, vendors / partners, government, and local communities. The Company has in place dedicated mechanisms for receiving and dealing with complaints from different stakeholders and responding it within a time bound manner.

   For details of investor complaints, please refer Corporate Governance Report which forms a part of this Annual Report.

Principle - 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Services of Infibeam primarily includes digital **P**ayments, **I**nfrastructure (data center as a service) and cloud-based enterprise **P**latforms (PIP) and other services including testing, data analytics, digital marketing, among others. Our digital offerings are environmentally friendly. The Company is committed to ensure sustainability throughout its day-to-day operations.

   Since inception, Infibeam strives to contribute positively to the national growth and that its digital services can offer great opportunities for Large as well as Small and Medium Enterprises (SMEs) that form the backbone of the Indian Economy, to be able to use the power of internet to increase their sales and generate higher income. Infibeam's business model gives an opportunity to businesses of all sizes, from various sections and different parts of the country, by providing them powerful online solutions to be able to do business online. The technology solutions in the area of PIP can help the large retails, brands and SMEs to transact online with ease and convenience, and help them to expand their reach to target a larger customer base enabling them to make more sales, at a reasonable cost. They can also avail customised web services that can further enhance their earning potential.

2. **For each such product and services, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   Infibeam is a financial technology company which offers comprehensive suite of web services spanning digital payment solutions, data centre infrastructure and software platforms. Our business is fundamentally done online and thus the usage of paper is limited due to the nature of the business. The Customers are encouraged to adopt paper-free practices like use of internet, mobiles, digital reports, digital payments and other such environmentally friendly initiatives that also enhance the digital culture; a step towards fulfilling and accelerating India's dream to be a digital economy. We generate reports for our customers online at the push of a button and encourage paper-less usage. Being a responsible corporate, we track the consumption of resources diligently and follow sustainable practices to reduce our impact on the environment and promote efficient consumption of resources viz. Heating, Ventilation and Air Conditioning (HVAC) run time monitoring, installation of LEDs, CFL & other low energy consuming office equipment, restricted printer and copier usage, this helps to efficiently consume electricity.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   a. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Yes, the Company has procedures in place for sustainable sourcing including transportation.

   As a responsible corporate citizen, the Company endeavours to reduce the environmental impact of its operations. The Company has made conscious efforts to reduce the usage of paper through various digital initiatives, some of which have been outlined elsewhere in this document.

   Our supplier analysis also takes into account the sourcing strategy of the supplier and proximity of the supplier to the location where the order request has been raised so as to improve logistics and save time, cost & emissions from unwanted transportation through longer routes.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Business of the Company is service oriented and not material resource intensive. The human resources and other services required for our operations are generally sourced from within the local area to the extent feasible. The products and services offered by the Company are aimed at encouraging entrepreneurship, innovation and capacity building among the society as well as to enable them to scale up their business operations.

   During supplier evaluation process, if all other factors are on par between potential suppliers, then the

Company will give preference to the local supplier or small producer and thus procure goods locally. We also promote localization of business by giving preferences to local vendors for consumable and operational services.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes, The Company has a mechanism to recycle waste but since we do not manufacture products we don't deal with product recycling. Our operational practices are focused to continually reduce consumption of paper and progressive measures are being implemented across different processes to facilitate the same.

Our initiatives also strive to meet sustainability goals of waste reduction and more efficient resource utilisation.

Principle - 3

Businesses should promote the well-being of all employees

We believe that Company's growth truly depends upon the growth of employees within the organization. We aim at creating a working environment that is supportive of work-life balance while meeting the Company's business needs. We foster a healthy work culture and a work place free of any harassment. Being an equal opportunity employer, the Company does not discriminate on basis of caste, creed, gender or nationality.

Sr. No.	Particulars	Details
1.	Total Number of Employees	640
2.	Total number of employees hired on contractual basis	2
3.	Number of permanent women employees	164
4.	Number of permanent employees with disabilities	Nil
5.	Is there an employee association that is recognized by management?	No
6.	Percentage of your permanent employees who are members of this recognized employee association.	-

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

The Company's policy prohibits engaging of any child labour or involuntary labour. Thus, there are no complaints relating to child labour, forced labour and involuntary labour.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at the end of financial year
1.	Child labour/ forced labour/ involuntary labour	Nil	Nil
2.	Sexual Harassment	Nil	Nil
3.	Discriminatory Employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Employee training and skills development is an integral aspect of the Company's human resource strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the Contractors and the Company.

The details of employees who underwent skill up-gradation training during the FY 2020-21 are as follows:

Permanent Employees	100%
Permanent Women Employees	100 %
Contractual Employees	0.00%
Employees with Disabilities	0.00%

Principle - 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders?**

We deeply value the contribution of all the stakeholders to the growth of the Company. We engage with them in a transparent manner with honesty, integrity and openness. The Company engages with multiple stakeholders through formal and informal channels of communication. The key stakeholder groups are identified as follows:

a) Employees
b) Customers, Clients and Partners
c) Investors
d) Vendors/ Service Providers
e) Regulators
f) Community
g) Associates
h) Media

The Company constantly strives to keep the channels of communication open and transparent with all its stakeholders, with a view to maximizing stakeholder's satisfaction and value creation.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and marginalised stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Infibeam is a responsible corporate, and believes in inclusive growth and equitable development for socio-economic betterment of the community. We aim at addressing the needs of the disadvantaged, vulnerable and marginalized sections of the society through our CSR programs.

Principle - 5

Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGO s/ others?**

   We believe in respecting, promoting, and protecting human rights at every aspects of business engagement. The Company is committed to upholding the dignity of every individual engaged or associated with the Company.

   We have implemented Fair Practices Code as well as Employee Code of Conduct which lays down the acceptable employee behaviour on various aspects including human rights. All employees, with direct interface to customers, are trained to be polite and courteous to customers under all circumstances. This focus on human rights extends towards all its interactions with stakeholders with utmost importance placed on fairness and transparency.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaints were received on human rights violations during the year.

Principle - 6

Business should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGO s/others.**

   The Policy covers only the Company. However, the Company shall support its value chain to adopt this principle.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company doesn't have any specific program or initiatives to address such issues. The Company has an Environment, Health and Safety Policy ("EHS Policy") which is communicated to all employees. The EHS Policy is available on the Company's website and accessed through the following link *https://www.ia.ooo/code-of-conduct-policies*.

   As an organization, Infibeam follows a thoroughly responsible approach towards the environmental causes. We promote Reduce, Reuse, Recycle philosophy which reflects our Go-Green approach. Our efficient operational practices, digital business initiatives and environment management practices help us reduce our environmental footprint and help us achieve environmentally sustainable business practices.

3. **Does the Company identify and assess potential environmental risks?**

   The Company is aware of the potential environmental risks. We have also integrated environmental and social safeguards into the business process. The Company continuously seeks to improve its environmental performance by promoting use of energy efficient environment friendly technologies and use of renewable energy.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   As detailed under Points 1-3 above, The Company, through its initiatives, is aware of the importance of safeguarding the environment. As on date, the Company did not carry out any project related to the Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc., Y/N. If yes, please give hyperlink for web page etc.**

   The Company strives to manage its energy demand by improving operational efficiency and adding alternate sources of energy. The Company has defined targets on reducing specific electricity consumption and increasing the energy share of renewable energy as a proportion of total energy consumption. The Company's energy conservation initiatives can be categorised under process optimisation and automation, optimisation of electrical equipment and lighting. At present, it does not have any URL.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB)/ State Pollution Control Board (SPCB) for the financial year being reported?**

   The operations of the Company do not result in any significant environmental or pollution related issues.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No notices were received by the Company as on March 31, 2021.

Principle - 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   The Company is not a member of any trade and chamber or association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Not Applicable

Principle - 8

Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company has a well-defined CSR policy which is in line with the Companies Act, 2013 that support inclusive growth and equitable development. The Company has taken various CSR initiatives for the support and development of society. The report on the CSR projects carried by the Company is annexed with the Board's Report.

2. **Are the programmes/projects undertaken through in-house team/ own foundation/ external NGO/government structures/any other organization?**

   The Company, through NGO's, supports various CSR initiatives in a project/ program mode. Please refer CSR activities in the Directors Report section of the Annual Report.

3. **Have you done any impact assessment of your initiative?**

   NA

4. **What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

   An amount of ₹ 9.65 Million was spent towards various CSR projects during the Financial Year 2020-21.

   The details of the CSR initiatives undertaken by your Company are set out in the Corporate Social Responsibility section of this Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes, The CSR initiatives of the Company are executed by a skilled team who ensure impact-focused implementation, monitoring, and reporting of our projects to ensure that they are adopted and sustainable within the communities.

Principle - 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

   There are no material consumer cases / customer complaints outstanding as at the end of the Financial Year and all the pending complaints have since been resolved within the prescribed timelines.

2. **Does the Company display product and service information on the product label, over and above what is mandated as per local laws?**

   Not Applicable

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year? If so, provide details thereof, in about 50 words or so**

   No.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   No.

Annexure -D

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31STMARCH, 2021

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

To,

The Members
INFIBEAM AVENUES LIMITED
CIN: L64203GJ2010PLC061366
Regd. Off: 28th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5, GIFT CITY,
Gandhinagar – 382355 (Gujarat)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INFIBEAM AVENUES LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in the electronic form in the online system in view of the COVID-19 pandemic and the prevailing situation in the country, during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 has complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per **Annexure - A** for the Financial Year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended form time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities Regulations, 2018;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with the Stock Exchange(s) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

VI. We further report that having regard to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof made available to us in electronic form, on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the Company.

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, mentioned hereinabove subject to our observations and there is adequate compliance management system for the purpose of other sector specific laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company.

We further report that

Under Section 19 read with Sections 11 (1), 11 (4) (d), 11 (4A) and Section 11B of the SEBI Act, 1992 read with Regulation 10 of the SEBI (PIT) Regulations, 2015 show cause notice(s) were issued to Mr. Vishal Mehta and Mr. Malav Mehta – Promoter(s), Mr. Hiren Padhya CFO and Infinium Motors (Gujarat) Private Ltd. We have been informed that settlement applications had been preferred by the notices to settle proceedings arising out of the show cause notices issued by SEBI. As per final orders of SEBI dated 28th July, 2021 against settlement applications, necessary settlement amount has been agreed and remitted by the promoters, CFO and promoter group company and the matter is concluded.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review, Mr. Malav Mehta resigned from the post of Director of the Company w.e.f. 05th June, 2020.

Adequate notice were given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through while the dissenting members' views were captured and recorded as part of the minutes, wherever required.

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable sector specific laws, rules, regulations and guidelines.

We further report that during the audit period of the Company there were following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- During the year under review, Company had Acquired 100% shareholding of AI Fintech, INC. Consequent to the acquisition, AI Fintech, INC became the Wholly Owned Foreign Subsidiary of the Company.
- During the year under review, Company had Acquired 100% shareholding of Cardpay Technologies Private Limited (CTPL), consequent to the Acquisition, CTPL became the Wholly Owned Subsidiary of the Company.
- During the year under review, the Hon'ble NCLT had passed the Order dated 27th November, 2020 for approval of the Composite Scheme of Arrangement amongst Infibeam Avenues Limited, Suvidhaa Infoserve Limited, DRC Systems India Limited and NSI Infinium Global Limited and their respective shareholders and creditors under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made there under.
- During the year under review, Nomination and Remuneration Committee of the Company in its meeting held on 30th November, 2020, had allotted 8,06,530 Equity Shares to the Employees under ESOP Scheme.
- During the year under review, Company had disinvested its 100% holding in CTPL and transferred its holding to Instant Global Paytech Private Limited, after the Disinvestment, CTPL became Step Down Subsidiary of the Company.
- During the year under review, Company had invested in the Equity Shares of So Hum Bharat Digital Payments Private Limited (So Hum), after this investment, So Hum has become a Subsidiary of the Company.
- Company had altered its Main Object Clause in Memorandum of Association of the Company by passing necessary resolution at Extra Ordinary General Meeting of the Company held on 09th March, 2021.
- During the year under review, Company, had reclassified the Authorised Share Capital from the existing ₹ 90,00,00,000 divided into 89,75,00,000 Equity Shares of Re. 1/- each and 2,50,000 0.01% Compulsory Convertible Preference Shares of ₹ 10/- each into ₹ 90,00,00,000 divided into 90,00,00,000 Equity shares of Re. 1/- each and further Company had Increased Authorised Share Capital from ₹ 90,00,00,000/- divided into 90,00,00,000 Equity Shares of Re. 1/- each to ₹ 140,00,00,000 divided into 140,00,00,000 Equity Shares of Re. 1/- each by passing necessary resolution at the Extra Ordinary General Meeting of the Company held on 09th March, 2021.
- During the year under review, Company had passed a Resolution in the Extra Ordinary General Meeting of the Company held on 09th March, 2021 for issue of 66,55,26,790 Bonus Equity Shares of Re. 1/- each to the shareholders as on record date i.e. 20th March, 2021 in the ratio of 1:1 and Board Meeting for Allotment of Bonus Equity shares was held on 24th March, 2021.

Place: Ahmedabad
Date: August 23, 2021

Signature:

Name of practicing CS	:	Ashish C. Doshi, Partner SPANJ & ASSOCIATES Company Secretaries
ACS/FCS No.	:	F3544
C P No	:	2356
UDIN No.	:	F003544C000817115

Note: This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report.

ANNEXURE - A

List of documents verified (in electronic form)

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Act and rules made there under.
5. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Act.
7. Intimations/Disclosure(s)/Declaration(s) received from Directors under & The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Act and attachments thereof during the period under report.
9. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period under report.
10. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
11. Various policies framed by the Company from time to time as required under the Act as well as Listing Agreement and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with circulars issued by the SEBI from time to time as mentioned hereunder:
    - Code of Conduct of Directors and KMPs
    - Code of Conduct for Independent Directors
    - Nomination & Remuneration Policy
    - Policy relating to Familiarization Program for Independent Director
    - Policy relating to Terms and Conditions for Appointment of Independent Director
    - Materiality of Events Policy
    - Website Content Archival Policy
    - Policy for determining Material Subsidiaries
    - Policy on Preservation of Documents
    - Related Party Transaction Policy
    - Whistle Blower Policy
    - Policy for prevention of Sexual Harassment of Women
    - Code of Conduct of Employee
    - Code of Conduct for prevention of Insider Trading
    - Corporate Social Responsible Policy (CSR Policy)
    - Remuneration Policy for Non- Executive Directors
    - Policy on Board Diversity
    - Dividend Distribution Policy
    - Risk Management Policy
    - Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information

ANNEXURE - B

To,
The Members
INFIBEAM AVENUES LIMITED
CIN: L64203GJ2010PLC061366
Regd. Off: 28th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5, GIFT CITY,
Gandhinagar - 382355 (Gujarat)

Sir,

Sub.: Secretarial Audit Report for the Financial Year ended on 31st March, 2021

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

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

Place: Ahmedabad
Date: August 23, 2021

Signature:

Name of practicing CS	:	Ashish C. Doshi, Partner SPANJ & ASSOCIATES Company Secretaries
ACS/FCS No.	:	F3544
C P No	:	2356
UDIN No.	:	F003544C000817115

Annexure - E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy:**

   The Company's CSR policy intends to focus on certain long term projects which shall include initiatives, inter alia, in the fields of education, skill development, health care, sanitation, safe drinking water, environment sustainability, women empowerment and rural development which will enable creation of a sustainable livelihood in society and better human capital culture.

   The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website at www.ia.ooo.

2. **The Composition of CSR Committee:**

   As on March 31, 2021, the CSR Committee comprised of following members:

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Vijaylaxmi Sheth	Chairperson	2	2
2	Mr. Vishal Mehta	Member	2	2
3	Mr. Piyush Kumar Sinha	Member	2	2

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

   The composition of the CSR committee is available on our website, at https://ia.ooo/wp-content/uploads/2021/02/CompositionVariousCommittee-1.pdf

   The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at https://www.ia.ooo/wp-content/uploads/2021/02/CSRPolicy.pdf

   CSR projects are available on our website, at https://www.ia.ooo/wp-content/uploads/2021/08/CSR-Projects.docx

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Nil			

6. **Average net profit of the Company as per Section 135(5):**

   Rs. 481.47 million

7. a. **Two percent of average net profit of the Company as per section 135(5) :** ₹ 9.63 million

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

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

   d. **Total CSR obligation for the financial year (7a+7b-7c) :** ₹ 9.63 million

8. a. **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ million)	Amount Unspent (₹ million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
9.65	Nil	N.A.	N.A.	Nil	N.A.

b. **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (₹ million)	Amount spent in the Current Financial Year (₹ million)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (₹ million)	Mode of imple-mentation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District						Name	CSR registration number
NIL												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ million)	Mode of imple-mentation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Spread A word and Make India A DRUG-FREE Nation	Educating the youth and general public about the perils of drug addiction.	Yes	Gujarat	Ahmedabad	5.00	Yes	-	-
2	Promotion of Education	"Vocational Training for Reaching to Unreached". Rural Development, Community Mobilization and Livelihood Promotion Activities.	Yes	Gujarat	Surendranagar	3.65	Yes	-	-
3	Vocational training and Skill Development	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans.	Yes	Gujarat	Ahmedabad	1.00	Yes	-	-
Total						**9.65**			

d. **Amount spent in Administrative Overheads:** Nil

e. **Amount spent on Impact Assessment, if applicable:** Nil

f. **Total amount spent for the Financial Year (8b+8c+8d+8e) :** ₹ 9.65 million

g. **Excess amount for set off, if any**

Sr. No.	Particulars	Amount (₹ mn)
(i)	Two percent of average net profit of the Company as per Section 135(5)	9.63
(ii)	Total amount spent for the Financial Year	9.65
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.02

9. **a. Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ million)	Amount spent in the reporting Financial Year(₹ million)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ million)
				Name of the Fund	Amount(₹ million)	Date of transfer	
Not Applicable							

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ million)	Amount spent on the project in the reporting Financial Year (₹ million)	Cumulative amount spent at the end of reporting Financial Year (₹ million)	Status of the project - Completed / Ongoing
Not Applicable								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

a. **Date of creation or acquisition of the capital asset(s) :** None

b. **Amount of CSR spent for creation or acquisition of capital asset :** NIL

c. **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. :** Not Applicable

d. **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) :** Not Applicable

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) :** Not Applicable

Vishal Mehta
Managing Director
DIN : 03093563

Vijaylaxmi Sheth
Chairman, CSR Committee
DIN : 07129801

Annexure - F

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th colspan="2">Status</th></tr>
<tr><td rowspan="4">I</td><td rowspan="4">Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year</td><td colspan="2">Number of times</td></tr>
<tr><td>Chairman</td><td>Nil</td></tr>
<tr><td>Managing Director</td><td>Nil</td></tr>
<tr><td>All other Directors</td><td>Nil</td></tr>
<tr><td rowspan="3">II</td><td rowspan="3">Percentage increase in remuneration of each of the Director, the Chief Financial Officer, the Chief Executive Officer, the Company Secretary or the Manager, if any, in the financial year</td><td>Category</td><td>% increase in remuneration in the Financial Year</td></tr>
<tr><td>Directors</td><td>Nil</td></tr>
<tr><td>Key Managerial Personnels</td><td>Nil</td></tr>
<tr><td>III</td><td>Percentage increase in the median remuneration of employees in the financial year</td><td colspan="2">15%</td></tr>
<tr><td>IV</td><td>Number of permanent employees on the rolls of Company</td><td colspan="2">642</td></tr>
<tr><td>V</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td colspan="2">The average increase in salaries of employees other than the managerial personnel in the last Financial Year was 9% and Nil for managerial personnel</td></tr>
<tr><td>VI</td><td>Affirmation that the remuneration is as per the Remuneration Policy of the Company</td><td colspan="2">It is affirmed that the remuneration is as per the Remuneration Policy of the Company.</td></tr>
</table>

NOTES:

1. Shares allotted under ESOP Scheme of the Company have not been included in the above.
2. The Non-Executive Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The ratio of remuneration and percentage increase in remuneration of these Directors is therefore not considered for the above.

05

Financial Statements

Independent Auditor's Report

To the Members of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)*

Report on the Audit of the Standalone IND AS financial Statements

Opinion

We have audited the accompanying standalone IND AS financial statements of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone IND AS financial statements")

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

Basis for Opinion

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

Key Audit Matters

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

Sr No	Key Audit Matter	Auditors Response
1.	**Goodwill Impairment testing and Impact of COVID-19 thereon**	**Principal Audit Procedures**
	Included on the balance sheet is an intangible assets balance of ₹ 18509.77 Million as on March 31, 2021 which relates to goodwill of ₹ 16124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ₹ 2385.59 million are classified as other Intangible Assets. On account of prevalent financial, economic and health crises caused due to global pandemic – COVID-19, having impact on the assumptions used for the continuity of operations and thus having further impact on the assessment of impairment of goodwill having indefinite useful life. The Company has prepared cash flow projections and believes it has sufficient liquidity based on the available liquid cash and the expected cash to be generated from operations to meet its financial obligations as they fall due for the following twelve months.	Focusing on Infibeam Avenues Ltd business, we understood, evaluated and validated management's key controls over the impairment assessment process. The company had obtained a valuation report from external independent valuer. On observing the same, following audit procedures were adopted: • Evaluating the methodical and mathematical accuracy of the model used for the impairment testing, the appropriateness of the assumptions, and the methodology used to prepare its cash flow forecasts. • gaining an understanding and assessing the reasonableness of business plans by comparing them to prior year's assumptions; • comparing the current years actual results included in the model to consider whether forecasts including assumptions that, with hindsight, have been appropriate.

The Company is required to perform impairment assessments of goodwill annually. For intangible assets with useful lives, the Company is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives. For the purpose of performing impairment assessments, all intangible assets including goodwill have been allocated to groups of cash generating units ("CGUs"). The recoverable amount of the underlying CGUs is supported by value-in-use calculations which are based on future discounted cash flows. Management concluded that the intangible assets including goodwill were not impaired as of March 31, 2021. The above assessment factoring impact of COVID-19 on continuity of its operations and thereupon on annual impairment of goodwill having indefinite useful life is considered as significant accounting judgement and estimate to the standalone Ind - AS financial statements and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the standalone financial statements as a whole.	• discussing the potential changes in key drivers as compared to previous year / actual performance with management and considering impact of COVID-19 in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • recalculating the value in use calculations • challenging the robustness of the key assumptions used to determine the value in use, including the allocation of goodwill to the adequate CGUs, cash flow forecasts, long-term growth rates and the discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible; We also considered the appropriateness of disclosures in the standalone IND AS financial statements and conclude that our audit procedures did not lead to any reservations regarding the goodwill impairment test.

Information Other than the Standalone IND AS financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone IND AS financial statements and our report thereon.

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

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone IND AS financial statements or our knowledge obtained during the course of our 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.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone IND AS financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

During the financial year the company has not paid any remuneration to any of the directors.

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:

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 21 to the standalone Ind AS financial statements;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;.

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

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN:_ 21103840AAAALP9221

Date : May 27, 2021
Place : Gandhinagar

Annexure A referred to in Para 1 of the Independent Auditors Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone IND AS financial statements for the year ended March 31, 2021, we report the following:

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

   B) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on annual basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. In accordance with the policy, the Company has physically verified the fixed assets during the year and we are informed that no material discrepancies were noticed upon such verification.

   C) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

2) The Company is a service company, primarily rendering website development and maintenance services (Web Services) and payment gateway services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

3) A) The Company has granted loans to six Companies covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of loans are not prejudicial to the Company's interest.

   B) The loans granted to Companies listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

   C) There are no amounts of loans granted to Company listed in the register maintained under Section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

4) In our opinion and according to the information and explanations given to us, provisions of Section 185 of the Companies Act 2013 in respect to loans to directors including entities in which they are interested and in respect of loans and advances given have been complied with by the Company. The Company has not granted any guarantees and securities during the year. In our opinion, and according to the information and explanations given to us, the Company has made investment referred in Section 186 of the Act and have complied with the provisions of Section 186 of the Act.

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

6) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

7) A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, income-tax, provident fund, employee state insurance, duty of customs, goods and services tax, professional tax, cess and other material statutory dues are generally regularly deposited during the year however there have been delays in few cases of payment of, professional tax, employee state insurance, provident fund and tax deducted at source (TDS). As explained to us, the Company did not have any dues on account of sales tax, value added tax and service tax during the year.

   B) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2021, for a period of more than six months from the date they became payable, except Income Tax Demand of ₹ 1.19 millions.

   C) According to the information and explanations given to us, no undisputed amounts payable in respect of service tax, income-tax, goods and services tax, professional tax, duty of customs and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

8) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions during the year. The Company did not have any due payable to the

debenture holders and government during the year.

9) There was no further public offer (including debt instrument) during the year.

10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

11) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

13) According to the information and explanations given by the management and on the basis of relevant records and representation, the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone IND-AS financial statements, as required by the applicable accounting standards.

14) According to the information and explanations given by the management, the Company has not made preferential allotment or private placement of shares or fully convertible debentures during the year.

15) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN: 21103840AAAALP9221

Date : May 27, 2021
Place : Gandhinagar

Annexure B referred in para 2 of the Independent Auditors Report

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 with reference to standalone IND AS financial statements of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these standalone Ind AS financial statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN: 21103840AAAALP9221

Date : May 27, 2021
Place : Gandhinagar

Balance Sheet
as at March 31, 2021

(₹ in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
Property, Plant and Equipment	5	2,269.12	2,346.89
Capital work-in-progress	5	-	-
Goodwill	6	16,124.18	16,124.18
Other intangible assets	6	2,385.59	2,591.53
Intangible assets under development	6	144.06	-
Financial assets	7		
(i) Investments		3,907.32	3,006.88
(ii) Other financial assets		84.49	471.76
Non-current tax assets (net)	9	242.81	182.34
Other non-current assets	8	1.63	44.24
Total non-current assets		**25,159.21**	**24,767.82**
II. Current assets			
Financial assets	7		
(i) Trade receivables		393.96	190.32
(ii) Cash and cash equivalents		1,099.35	734.14
(iii) Bank balance other than (ii) above		7.47	125.13
(iv) Loans		18.35	46.13
(v) Others financial assets		1,468.86	741.42
Other current assets	8	4,582.99	2,204.41
Total current assets		**7,570.99**	**4,041.54**
Total Assets		**32,730.20**	**28,809.36**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	1,331.05	664.72
Other equity	11	25,240.37	25,302.84
Total equity		**26,571.42**	**25,967.56**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities	12		
(i) Borrowings		110.41	175.81
(ii) Other financial liabilities		42.84	34.66
Provisions	13	46.60	43.07
Deferred tax liabilities (net)	24	320.94	287.45
Total non-current liabilities		**520.79**	**540.98**
II. Current liabilities			
Financial liabilities	12		
(i) Borrowings		87.90	87.90
(ii) Trade payables:			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		0.18	2.30
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		76.88	73.90
(iii) Other financial liabilities		243.84	158.70
Other current liabilities	14	5,167.41	1,918.07
Provisions	13	13.73	12.20
Current tax liabilities (net)	24	48.05	47.76
Total current liabilities		**5,637.99**	**2,300.82**
Total equity and liabilities		**32,730.20**	**28,809.36**
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Million)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	15	5,767.02	5,818.49
Other income	16	91.42	90.30
Total income (I)		**5,858.44**	**5,908.79**
Expenses			
Operating expenses		3,792.45	3,810.41
Employee benefits expenses	17	489.49	478.10
Finance costs	18	35.52	42.18
Depreciation and amortization expenses	19	688.77	712.18
Other expenses	20	247.71	254.30
Total expenses (II)		**5,253.94**	**5,297.18**
Profit before exceptional item and tax (III) = (I - II)		**604.49**	**611.61**
Exceptional items (IV)		-	-
Profit from continuing operation before tax (V) = (III-IV)		**604.49**	**611.61**
Income Tax expenses	24		
Current tax		76.98	117.11
Deferred tax (net)		33.49	100.04
Total Income tax expense (VI)		**110.48**	**217.14**
Profit from continuing operations for the year (VII) = (V-VI)		**494.02**	**394.46**
Profit from discontinued operations before tax (refer note 36)		**-**	(13.12)
Tax expense of discontinued operations (refer note 36)		-	(4.59)
Profit from discontinued operations after tax (refer note 36)		**-**	**(8.54)**
Profit for the year from continuing and discontinued operations		**494.02**	**385.93**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		2.82	(1.17)
Income tax effect on above		(0.71)	-
Total other comprehensive income for the year, net of tax (VIII)		2.11	(1.17)
Total comprehensive income for the year, net of tax (IX) = (VII+VIIII)		**496.13**	**384.76**
Earning per equity share [nominal value per share Re.1/- (March 31, 2020: Re.1/-)]	27		
For continuing operations			
Basic		0.37	0.30
Diluted		0.37	0.30
For discontinued operations			
Basic		-	(0.01)
Diluted		-	(0.01)
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these standalone financial statements.
As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Statement of changes in Equity

for the year ended March 31, 2021

A. Equity share capital

(₹ in Million)

Particulars	Note 10
As at March 31, 2019	**663.39**
Changes in Equity Share capital	1.33
As at March 31, 2020	**664.72**
Changes in Equity Share capital	666.33
As at March 31, 2021	**1,331.05**

B. Other equity

(₹ in Million)

Particulars	Reserves and surplus								
	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Capital Reserve	Total equity
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Balance as at March 31, 2019	239.20	25,054.39	105.22	229.19	(396.06)	0.00	100.00	-	**25,331.94**
Profit for the year				385.93					**385.93**
Other comprehensive income for the year				(1.17)					**(1.17)**
Total Comprehensive income for the year				384.76					**384.76**
Employee compensation expense for the year	52.16								**52.16**
Transfer to securities premium on exercise of options	(82.33)	82.33							**-**
Interim Dividend paid including taxes				(79.45)					**(79.45)**
IND AS 116 "Leases" transition impact				(0.70)					**(0.70)**
Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note : 36)			(107.31)	(278.56)					**(385.88)**
Transfer on forfeiture of equity share warrants							(100.00)	100.00	**-**
On lapse of stock options	(2.10)		2.10						**-**

Statement of changes in Equity (Continued)
for the year ended March 31, 2021

(₹ in Million)

Particulars	Reserves and surplus								Total equity
	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Capital Reserve	
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Balance as at March 31, 2020	**206.93**	**25,136.73**	**-**	**255.24**	**(396.06)**	**0.00**	**-**	**100.00**	**25,302.84**
Profit for the year				494.02					**494.02**
Other comprehensive income for the year				2.11					**2.11**
Total Comprehensive income for the year				496.13					**496.13**
Employee compensation expense for the year	106.93								**106.93**
Transfer to securities premium on exercise of options	(32.62)	32.62							**-**
Issue of bonus shares		(665.53)							**(665.53)**
On lapse of stock options	(0.15)		0.15						**-**
Balance as at March 31, 2021	**281.08**	**24,503.82**	**0.15**	**751.37**	**(396.06)**	**0.00**	**-**	**100.00**	**25,240.37**

* Represents amount less than one million

Securities Premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

General Reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Statement of cash flows

for the year ended March 31, 2021

(₹ in Million)

		March 31, 2021	March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax	**604.49**	**598.48**
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	688.77	712.18
	Employee stock option expense (net)	23.54	42.04
	Finance costs	35.52	42.18
	Interest Income	(64.14)	(69.86)
	Short term capital gain on sale of mutual fund	(0.29)	(1.46)
	Profit on sale of Investment in subsidiary	(3.00)	-
	Excess Allowance written back	(10.92)	-
	Unrealised foreign currency loss / (gain) (net)	0.96	(7.50)
	Liability No Longer reuired	(3.58)	-
	Balances written off	10.92	-
	Allowance for doubtful debts	29.74	12.45
	Operating profit before working capital changes	**1,312.01**	**1,328.52**
	Adjustments for:		
	Increase / (decrease) in trade and other payables	3,342.11	(1,005.34)
	Movement in provisions	7.89	7.20
	(Increase)/decrease in trade receivables	(234.39)	(73.73)
	(Increase)/decrease in other assets	(2,711.79)	162.20
	Net changes in working capital	**403.81**	**(909.66)**
	Cash generated from operations	**1,715.82**	**418.85**
	Direct Taxes paid (Net of Income Tax refund)	(137.87)	(178.71)
	Net cash flows from operating activities (A)	**1,577.94**	**240.14**
B	**Cash flow from investing activities**		
	Payment for acquisition of property, plant and equipment and intangible asset (including capital work-in-progress, intangible under development and capital advances)	(432.08)	(413.26)
	Government grant received	-	95.85
	Loans and advances given to subsidiaries (net)	16.76	78.26
	Repayment of Loans and advances by others (net)	11.01	(11.04)
	Interest received	63.68	71.62
	Fixed deposits with bank (net)	117.65	(114.38)
	Investments for acquisition of shares	(900.45)	(190.26)
	Purchase of mutual fund	(152.49)	(550.50)
	Proceeds from sale of mutual fund	152.79	551.96
	Proceeds from sale of Investment (Net)	3.00	-
	Net cash (used in) Investing Activities (B)	**(1,120.12)**	**(481.74)**

Statement of cash flows (Continued)

for the year ended March 31, 2021

		March 31, 2021	March 31, 2020
C	**Cash flow from financing activities**		
	Dividend paid	(0.00)	(65.28)
	Dividend distribution tax paid	-	(14.06)
	Proceeds from exercise of ESOP	0.81	1.33
	Interest paid	(28.01)	(42.21)
	Proceeds / repayment of borrowings (net)	(65.40)	(87.89)
	Net Cash (used in) Financing Activities (C)	**(92.61)**	**(208.12)**
	Net increase/(decrease) in cash & cash equivalents (A+B+C)	**365.21**	**(449.71)**
	Cash & Cash equivalent at the beginning of the year	734.14	1,228.65
	Less: Cash & Cash equivalent of demerged undertakings	-	(44.79)
	Cash & Cash equivalent at the end of the year	1,099.35	734.14

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (IND AS) - 7 "Statement of Cash Flows" issued by the Institute of Chartered Accountants of India.

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash and cash equivalents comprise of: (Note 7)		
Balance with Bank		
(a) Current accounts	351.51	521.41
(b) Balance with bank in Nodal Accounts	747.80	212.42
Cash on hand	0.05	0.31
Cash and cash equivalents	**1,099.35**	**734.14**
Effect of Exchange Rate Changes	**-**	
Cash and cash equivalents	**1,099.35**	**734.14**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

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Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Notes to the Financial Statements
for the year ended 31st March, 2021

1. Corporate Information

Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) ('the Company') was incorporated on June 30, 2010 under the Companies Act, 1956. The Company is primarily engaged in business of software development services, maintenance, web development, payment gateway services, e-commerce and other ancillary services.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the company is located at 28th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar – 382 355.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2021.

2. Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 (`Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The financial statements have been prepared on a historical cost basis, except for the following :

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupee ('₹') which is also the Company's functional currency and all values are rounded to the nearest millions, except when otherwise indicated.

3. Critical accounting estimates

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

3.1. Estimates and assumption

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

3.2. Defined benefit plans

The cost of the defined benefit plans and the present value of the 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. Discount rate has been determined by reference to market yields on the government bonds as at the balance sheet date. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 25.

3.3. Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using a black schole model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate

Notes to the Financial Statements

for the year ended 31st March, 2021

inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be measured at the time of grant.

The Company has also approved the grant of Employee Stock Appreciation Rights (SARs) to the eligible employees of the Company. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 28.

3.4. Taxes

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

The Company has ₹ 215.39 million of MAT tax credits carried forward. These credits expire in 10 - 15 years. The Company does not have tax planning opportunities available that could support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the MAT tax credits carried forward.

If the Company was able to recognise unrecognised deferred MAT tax assets, profit and equity would have increased by ₹ 215.39 million. Further details on taxes are disclosed in Note 24.

3.5. Intangible asset including intangible asset under development

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, future economic benefits are probable. The costs which can be capitalized include the salary and ESOP cost of employees that are directly attributable to development of the asset for its intended use. Research and maintenance costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer Note 4.6 for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in Note 6.

3.6. Property, plant and equipment

Refer Note 4.5 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

3.7. Revenue recognition

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

3.8. Investments

Investment in subsidiaries and associates is carried at cost in the standalone financial statements.

3.9. Estimation of uncertainties relating to the global health pandemic from COVID-19

In assessing the recoverability of assets including trade receivables, unbilled receivables and investments, the Company has considered internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated on the date of approval of these financial statements.

4. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the company in preparing its financial statements:

4.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the Financial Statements
for the year ended 31st March, 2021

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.2. Business combinations and goodwill

Business combinations are accounted for using the acquisition method prescribed under IND AS. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value.

Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

4.3. Foreign currencies

The company's financial statements are presented in ₹, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate at the date the transaction first qualifies for recognition.

Notes to the Financial Statements

for the year ended 31st March, 2021

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

4.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 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 by 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 takes into account 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 data are 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 financial statements are categorised within the fair value hierarchy, as described below, 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 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.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

4.5. Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment's assets as recognised in its previous GAAP financial as deemed cost at the transition date, i.e., 1 April 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. The cost of assets acquired in a business combination is their fair value at the date of acquisition. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such

Notes to the Financial Statements
for the year ended 31st March, 2021

parts as individual assets with specific useful lives and depreciates them accordingly. All repair and maintenance costs are recognised in statement of profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

- Building – 60 years
- Leasehold Improvements - 10 years
- Plant and equipment - 5 to 10 years
- Furniture & Fixtures - 10 years
- Vehicles - 8 years
- Computer & Peripherals - 3 to 6 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

4.6. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Cost include acquisition and other incidental cost related to acquiring the intangible asset.

Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, future economic benefits are probable. The costs which can be capitalized include the salary and ESOP cost of employees that are directly attributable to development of the asset for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Period of Amortisation of Intangibles is calculated as follows:

- Computer software acquired on Amalgamation - 6 years
- Computer software acquired - 10 years (w.e.f. April 01, 2020)
- Trademark acquired on Amalgamation - 25 years (w.e.f. April 01, 2020)
- IT Platform acquired on Amalgamation - 5 years (w.e.f. April 01, 2020)
- Customer Relationship acquired on Amalgamation - 25 years (w.e.f. April 01, 2020)
- Internally generated Computer Software - 5 years (w.e.f. April 01, 2020)

Intangible assets under development

Expenditure incurred on acquisition /construction of intangible assets which are not ready for their intended use at balance sheet date are disclosed under Intangible assets under development. During the period of development, the asset is tested for impairment annually.

4.7. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys

Notes to the Financial Statements

for the year ended 31st March, 2021

the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in other current and non-current financial liabilities.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.

Notes to the Financial Statements

for the year ended 31st March, 2021

4.8. Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to expense item is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets (i.e. those whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets), including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset, in which case the grant is recognised in profit or loss as a reduction of depreciation expense.

4.9. Non-current assets held for sale and discontinued operations

Non-current assets and Disposal Group are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non-current asset or the Disposal Group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non-current assets and Disposal Group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset and Disposal Group was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when the Disposal Group no longer meets the “Held for sale” criteria.

A discontinued operation is a component of the undertaking that has been disposed off or is classified as held for sale and

- represents a separate line of business or graphical area of operations and;
- is a part of a single coordinated plan to dispose off such a line of business or area of operations.

The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

4.10. Impairment of non-financial assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generated unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

4.11. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4.12. Revenue Recognition

Rendering of services

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

Notes to the Financial Statements
for the year ended 31st March, 2021

Revenue from payment gateway services is recognised on settlement of transactions measured by value of transactions processed as per the rates and terms agreed between parties.

Revenue from Web Services is recognised upfront at the point in time when the service is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises, these service is recognised proportionally over the period.

Registry Services revenues primarily arise from fixed fees charged to registrars for the initial registration or renewal of .ooo domain names. Revenues from the initial registration or renewal of domain names are deferred and recognized rateably over the registration term, generally one year and up to ten years. Fees for renewals and advance extensions to the existing term are deferred until the new incremental period commences. These fees are then recognized rateably over the renewal term.

Revenue is measured based on the consideration specified in a contract with the customer and excludes amounts collected on behalf of customers. The Company presents revenue net of discounts and collection charges. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

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

Excess billing over revenue ("contract liability") is recognised when there is billing in excess of revenues.

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

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by offering and geography.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date as per contract.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its nature.

Export incentives

Export incentives are accounted on accrual basis based on services rendered.

4.13. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement.

All financial assets, except investment in subsidiaries and joint ventures, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Notes to the Financial Statements

for the year ended 31st March, 2021

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at fair value through statement of profit and loss (FVTPL)
- **Debt instruments at amortised cost**:

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

  - the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - 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.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

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

  A debt instrument is measured at fair value through other comprehensive income if both of the following criteria are met:

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Debt instruments at fair value through profit or 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.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

  Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

- **Equity instruments:**

  All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, 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.

Notes to the Financial Statements

for the year ended 31st March, 2021

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 P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Investment in subsidiaries and associates:**

  Investment in subsidiaries and associates is carried at cost in the standalone financial statements.

(iii) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are

Notes to the Financial Statements

for the year ended 31st March, 2021

incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings**

  After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.14. Cash and 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

4.15. Treasury shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4.16. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. 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.

Notes to the Financial Statements

for the year ended 31st March, 2021

Deferred tax

Deferred tax is provided using the liability method on 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:

- When the deferred tax liability arises from the initial recognition of goodwill or 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 taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, 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 arrangements, 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 Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income 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 entity and the same taxation authority.

The Company does not recognizes tax credits in the nature of MAT credit as an asset since there is no convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the future year in which the Company recognizes tax credits as an asset, the said asset will be created by way of tax credit to the Statement of profit and loss.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. All other acquired tax benefits realised are recognised in profit or loss.

4.17. Retirement and other employee benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as

Notes to the Financial Statements

for the year ended 31st March, 2021

short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

b) Post-Employment Benefits

(i) Defined benefit plan

Gratuity benefit scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet reduced by the fair value of any plan assets. The discount rate used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company has not invested in any fund for meeting liability.

4.18. Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Employee Stock Appreciation Rights (SAR)

The company has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. IEW trust purchases Company's shares out of funds provided by the Company. Accordingly, the Company has approved the grant of Employee Stock Appreciation Rights (SARs) to the eligible employees of the Company. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

The Company follows the intrinsic value method to account for its Employee Stock Appreciation Rights (SARs). Compensation cost is measured by the excess, if any, of the market price of the underlying stock over the exercise price as determined under the option plan. The market price is the closing price on the stock exchange where there is highest trading volume on the working day immediately preceding the date of

Notes to the Financial Statements

for the year ended 31st March, 2021

grant. Compensation cost, if any, is amortised over the vesting period.

4.19. Earnings per share

Basic EPS amounts are calculated by dividing the profit or loss for the year attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

4.20. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

4.21. Dividend distribution

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.22. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Provision in respect of contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

4.23. Changes in accounting policies and disclosures

New and amended standards

Amendments to Ind AS 116: Covid-19- Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. This amendment had no impact on the standalone financial statements of the Company.

Notes to the Financial Statements

for the year ended 31st March, 2021

Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/ or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. This amendment had no impact on the standalone financial statements of the Company.

4.24. Standards issued but not yet effective

There are no standards that are issued but not yet effective on March 31, 2021.

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 5 : Property, plant and equipment

(₹ in Million)

Particulars	Building	Vehicles	Electronic Equipment	Furniture & fixture	Leasehold improvements	Office equipment	Computer, server & network	Right to use asset Leasehold Building	Capital Work in Progress	Total
Cost										
As at March 31, 2019	1,627.48	11.46	29.05	67.07	33.04	14.71	58.06	-	217.13	**2,058.00**
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer note i below)	-	-	-	-	-	-	-	60.13	-	**60.13**
Additions	154.49	9.88	7.98	0.14	-	0.43	857.79	-	393.04	**1,423.76**
Capitalized	-	-	-	-	-	-	-	-	(610.17)	**(610.17)**
Deductions on account of Scheme of arrangement (Refer Note 36)	-	-	(0.13)	-	-	-	(0.42)	-	-	**(0.55)**
Disposals/Adjustments (Refer note ii below)	(85.85)	-	-	-	-	-	(10.00)	-	-	**(95.85)**
As at March 31, 2020	**1,696.12**	**21.34**	**36.90**	**67.21**	**33.04**	**15.14**	**905.43**	**60.13**	**-0.00**	**2,835.30**
Additions	-	-	1.05	1.39	6.45	0.38	322.40	32.15	-	**363.82**
Capitalized	-	-	-	-	-	-	-	-	-	**-**
As at March 31,2021	**1,696.12**	**21.34**	**37.95**	**68.60**	**39.48**	**15.51**	**1,227.83**	**92.28**	**-0.00**	**3,199.12**
Depreciation										
As at March 31, 2019	113.63	7.57	13.87	32.00	18.51	10.28	37.01	-	-	**232.87**
Depreciation for the year	73.25	1.91	7.39	9.68	2.51	2.23	143.80	14.94	-	**255.72**
Deductions on account of Scheme of arrangement (Refer Note 36)	-	-	(0.01)	-	-	-	(0.16)	-	-	**(0.18)**
As at March 31, 2020	**186.88**	**9.48**	**21.25**	**41.68**	**21.02**	**12.51**	**180.65**	**14.94**	**-**	**488.41**
Depreciation for the year	57.09	3.90	7.71	7.10	0.30	0.35	346.60	18.54	-	**441.59**
As at March 31,2021	**243.98**	**13.38**	**28.95**	**48.79**	**21.31**	**12.87**	**527.25**	**33.48**	**-**	**930.00**
Net Block										
As at March 31,2021	**1,452.14**	**7.96**	**9.00**	**19.81**	**18.17**	**2.65**	**700.58**	**58.81**	**-**	**2,269.12**
As at March 31, 2020	**1,509.23**	**11.86**	**15.65**	**25.53**	**12.02**	**2.63**	**724.78**	**45.19**	**-**	**2,346.89**

Net book value

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Property, Plant and Equipment	**2,269.12**	**2,346.89**
Capital Work-in-progress		**-**

Notes:

i. Right to use assets - Leasehold Building represents properties taken on lease for office accounted for in accordance with principal of Ind AS 116 "Leases". (refer note 31)

ii. Disposals/adjustments includes an adjustment on account of Governement grant received for capital investment accounted for in accordance with principal of Ind AS 20 "Accounting for Government Grants and

Disclosure of Government Assistance". Refer Note 40

Notes to the Financial Statements

for the year ended 31st March, 2021

Note 6 : Goodwill, other intangible assets and intangible assets under development

(₹ in Million)

Particulars	Goodwill	Computer Software	IT Platform	Trademark	Customer Relationship	Intangible assets under development	Total
Cost							
As at March 31, 2019	16,124.18	1,026.60	360.10	597.80	1,563.10	107.37	**19,779.15**
Additions	-	362.70	-	-	-	-	**362.70**
Deductions on account of Scheme of arrangement (Refer Note 36)	-	(312.88)	-	-	-	-	**(312.88)**
Capitalised	-	-	-	-	-	(107.37)	**(107.37)**
As at March 31, 2020	**16,124.18**	**1,076.42**	**360.10**	**597.80**	**1,563.10**	**-**	**19,721.61**
Additions *	-	41.24	-	-	-	144.06	**185.30**
As at March 31,2021	**16,124.18**	**1,117.66**	**360.10**	**597.80**	**1,563.10**	**144.06**	**19,906.91**
Amortisation							
As at March 31, 2019	-	265.03	144.04	47.82	312.62	-	**769.52**
Amortisation for the Year	-	204.21	72.02	23.91	156.31	-	**456.46**
Deductions on account of Scheme of arrangement (Refer Note 36)	-	(220.08)	-	-	-	-	**(220.08)**
As at March 31, 2020	**-**	**249.17**	**216.06**	**71.74**	**468.93**	**-**	**1,005.89**
Amortisation for the Year #	-	153.56	28.81	21.04	43.77	-	**247.18**
As at March 31,2021	**-**	**402.73**	**244.87**	**92.78**	**512.70**	**-**	**1,253.07**
Net Block							
As at March 31,2021	**16,124.18**	**714.94**	**115.23**	**505.02**	**1,050.40**	**144.06**	**18,653.84**
As at March 31, 2020	**16,124.18**	**827.26**	**144.04**	**526.06**	**1,094.17**	**-**	**18,715.71**

Net book value

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Goodwill	**16,124.18**	**16,124.18**
Other Intangible assets	**2,385.59**	**2,591.53**
Intangible assets under development	**144.06**	**-**

*Addition to the intangible assets under development includes ESOP cost and salary cost capitalised amounting to ₹ 75.61 million (March 31, 2020: Nil) and ₹ 5.45 million (March 31, 2020: Nil) respectively.

Intangible assets under development as at 31st March 2021 comprises expenditure for the development of computer software i.e. IT framework.

Based on the technical evaluation, the Company has revised the useful life of certain intangibles including those accquired on Amalgamation. As a result of this change in estimated useful life, the life of said intangibles assets got extended. Consequently the amortization for the year ended on March 31, 2021 has decreased by ₹ 223.52 millions.

Goodwill arising on Amalgamation

Goodwill includes goodwill arising on amalgamation of Avenues (India) Private Limited.

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell.

The Company uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent managements's best estimate about future developments. Management determined budgeted gross margin based on past performance and its expectations of market development. The calculations performed indicate that there is no impairment of Goodwill of the company.

Notes to the Financial Statements

for the year ended 31st March, 2021

Note 7 : Financial assets

7 - Investments

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
NON CURRENT		
Investment stated at cost		
(A) Investment in Equity Instrument		
a. Investment in Subsidiaries (Unquoted)		
Infibeam Logistics Private Limited		
3,75,09,990 (31 March 2020 :3,75,09,990) equity shares	375.10	375.10
Infibeam Digital Entertainment Private Limited		
3,145,000 (31 March 2020 : 3,145,000) equity shares	31.45	31.45
Less: Provision for diminution in value of investments in equity shares	(31.45)	(31.45)
Odigma Consultancy Solutions Private Limited		
2,24,000 (31 March 2020 :1,00,000) equity shares	262.25	110.35
DRC Systems India Limited (formerly known as DRC Systems India Private Limited)		
Nil (31 March 2020 : 11,47,500) equity shares	-	30.60
Vavian International Limited		
13,800 (31 March 2020 : 13,800) equity shares	289.99	289.99
AI Fintech		
1,500 Class A (31 March 2020 : Nil) equity shares	0.01	-
1,250 Class B (31 March 2020 : Nil) equity shares	92.69	-
Instant Global Paytech Private Limited		
1,65,000 (31 March, 2020: Nil) equity shares	130.00	-
So Hum Bharat Digital Payment Private Limited		
5,05,000 (31 March 2020 : Nil) equity shares	5.05	-
Avenues Infinite Private Limited		
39,36,000 (31 March 2020 : 20,00,000) equity shares	1,195.96	615.16
Less: Allowance for diminution in value of investments in equity shares	(10.00)	(10.00)
	2,341.04	**1,411.20**
b. Investment in Associates (Unquoted)		
Instant Global Paytech Private Limited		
Nil (31 March, 2020: 14,400) equity shares	-	60.00
Infibeam Global EMEA FZ - LLC		
36,016 (31 March 2020 : 36,016) equity shares	675.86	675.86
Avenues Payments India Private Limited		
34,791 (31 March 2020 : 34,791) equity shares	214.03	214.03
	889.89	**949.89**
c. Investment in Associates (Quoted)		
DRC Systems India Limited (formerly known as DRC Systems India Private Limited)		
11,47,500 (31 March 2020 : Nil) equity shares	30.60	-
	30.60	**-**

Notes to the Financial Statements
for the year ended 31st March, 2021

Particulars	As at March 31,2021	As at March 31, 2020
(B) Investment in Preference Instrument in Associates (Unquoted)		
Avenues Payments India Private Limited		
4,876 (31 March 2020 : 4,876) preference shares	30.00	30.00
	30.00	**30.00**
Investment stated at Fair Value through OCI		
(A) Investment in Equity Instrument		
a. Investment in others (Unquoted)		
JRI Technologies Private Limited		
220,625 (31 March 2020 : 220,625) equity shares	15.79	15.79
	15.79	**15.79**
Tradohub B2B Limited (formerly known as Ingenius E-Commerce Private Limited)		
355,320 (31 March 2020 : 355,320) equity shares	600.00	600.00
	600.00	**600.00**
Total Non - Current Investments	**3,907.32**	**3,006.88**
Total Investments	**3,907.32**	**3,006.88**
Total non-current investment	**3,876.72**	**3,006.88**
Aggregate amount of unquoted investments	3,918.17	3,048.32
Impairment of investment	41.45	41.45
Market Value of quoted investments		-
DRC Systems India Limited (formerly known as DRC Systems India Private Limited)		
11,47,500 (31 March 2020 : Nil) equity shares (market value ₹ 292.65 per share)	335.82	-

7 - Loans

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Current		
Unsecured, considered good		
Loans to related parties*	12.77	29.54
Loans to employees	-	10.29
Loan to others**	5.58	6.30
	18.35	**46.13**
Total Loans	**18.35**	**46.13**

*The above loans are unsecured, repayable on demand, interest free and the same has been given for the purpose of business operations. (Refer note 26)

Notes to the Financial Statements
for the year ended 31st March, 2021

7 - Other financial assets

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Non Current		
Unsecured, considered good		
Security Deposits	8.31	5.60
Bank deposits with original maturity of more than 12 months (including accrued interest) #	76.18	466.16
	84.49	**471.76**
Current		
Unsecured, considered good		
Security deposits*	6.09	7.09
Unbilled revenue	689.13	524.02
Advance to employees	11.46	1.03
Bank deposits maturing within 12 months from reporting date (including accrued interest) #	740.20	202.43
Receivable from subsidiary company for reimbursement of expenses (net) (refer note 26)	0.14	2.80
Other receivable	17.32	-
Interest accrued on FD with original maturity of more than 3 months but less than 12 months.	3.93	4.06
Interest on loan receivable	0.59	-
Unsecured, considered doubtful		
Security deposits	1.35	1.35
Less: Allowance for doubtful security deposits	(1.35)	(1.35)
	1,468.86	**741.42**
Total other financial assets	**1,553.35**	**1,213.19**

* includes deposit given to the director of the Company (refer note 26)

Fixed deposits of ₹ 645.34 million (March 31, 2020: ₹ 562.12 million) are under lien against credit facilities from banks.

7 - Trade receivables

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Trade receivables		
Unsecured, considered good	393.96	190.32
Unsecured, considered doubtful	72.86	54.04
	466.82	244.35
Less: Allowance for bad debts	(72.86)	(54.04)
Total Trade receivables	**393.96**	**190.32**

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days

(ii) For amount dues and terms and conditions relating to Related Party Transactions, refer note 26

(iii) For explanation on Company's credit risk management process, refer note 33

Notes to the Financial Statements
for the year ended 31st March, 2021

7 - Cash and cash equivalent

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Balance with Bank		
Current accounts	351.51	521.41
Balance with bank in Nodal Accounts	747.80	212.42
Cash on hand	0.05	0.31
Total cash and cash equivalents	**1,099.35**	**734.14**

7 - Bank balance other than the above

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Deposits with original maturity of more than three months but less than 12 months (Refer notes below)	7.17	124.82
Earmarked balances for unclaimed dividend	0.30	0.30
Bank balance other than the above	**7.47**	**125.13**

(i) Fixed deposit of ₹ 7.17 million (March 31, 2020: ₹ 10.53 million) are under lien against credit facilities from banks.

7 - Financial assets by category

(₹ in Million)

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2021				
Investments				
- Equity shares	3,261.54	615.79		-
- Prefrence shares	30.00	-		-
Trade receivables	-	-		393.96
Loans	-	-		18.35
Cash and cash equivalents and other bank balances	-	-		1,106.83
Other financial assets	-	-		1,553.35
Total Financial assets	**3,291.53**	**615.79**	**-**	**3,072.49**
March 31, 2020				
Investments				
- Equity shares	2,361.09	615.79		-
- Prefrence shares	30.00	-		-
Trade receivables	-	-		190.32
Loans	-	-		46.13
Cash and cash equivalents and other bank balances	-	-		859.27
Other financial assets	-	-		1,213.19
Total Financial assets	**2,391.09**	**615.79**	**-**	**2,308.89**

For Financial instruments risk management objectives and policies, refer Note 33

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33.

Notes to the Financial Statements

for the year ended 31st March, 2021

Note 8 : Other assets

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Non-current		
Unsecured, considered good		
Capital advances*	1.63	43.06
Prepaid expense	-	1.18
Total Non-current asset	**1.63**	**44.24**
Current		
Unsecured, considered good		
Advance to suppliers	533.60	555.52
Less : Allowance for doubtfull advances	(2.99)	(2.99)
Balance with government authorities	26.58	152.20
Receivable for settlement of payment gateway transaction (refer note 37)	3,977.59	1,398.22
Prepaid expenses	48.13	100.27
Other current asset	0.09	1.18
Total current asset	**4,582.99**	**2,204.41**
Total	**4,584.62**	**2,248.65**

* Refer note 26 for advances given to related parties

Note 9 : Income tax assets (net)

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Tax paid in advance (net of provision) (refer note 24)	**242.81**	182.34
Total	**242.81**	**182.34**
Provision for tax (net of advance tax) (refer note 24)	48.05	47.76
Total	**48.05**	**47.76**

Note 10 : Equity share capital

Particulars	As at March 31,2021		As at March 31,2020	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Authorised share capital				
Equity shares of ₹ 1 each	1,400,000,000	1,400.00	897,500,000	897.50
0.01% Cumulative Compulsorily Convertible Preference Shares of ₹ 10 each **	-	-	250,000	2.50
Issued and subscribed share capital				
Equity shares of ₹ 1 each	1,331,053,580	1,331.05	664,720,260	664.72
Subscribed and fully paid up				
Equity shares of ₹1 each	1,331,053,580	1,331.05	664,720,260	664.72
Total	**1,331,053,580**	**1,331.05**	**664,720,260**	**664.72**

** 2,50,000 (Two Lakhs Fifty Thousand) 0.01% Compulsory Convertible Preference Shares of ₹ 10/- (Rupees Ten Only) each, amounting to ₹ 25,00,000 (Rupees Twenty Five Lakhs Only), forming a part of the Authorised Share Capital of the Company were reclassified into 25,00,000 (Twenty Five Lakhs) Equity Shares having Face Value of Re. 1 (Rupee One Only) each amounting to ₹ 25,00,000 (Rupees Twenty Five Lakhs

Notes to the Financial Statements
for the year ended 31st March, 2021

Only) pursuant to the Equity Shareholders' approval in the Extra Ordinary General Meeting of Infibeam Avenues Limited held on March 09, 2021.

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31,2021		As at March 31,2020	
	No. of shares	₹ in Million	No. of shares	₹ in Million
At the beginning of the year	664,720,260	664.72	663,392,240	663.39
Add :				
Shares allotted pursuant to exercise of Employee Stock Option Plan	806,530	0.81	1,328,020	1.33
Issue of Bonus shares	665,526,790	665.53	-	-
Outstanding at the end of the year	1,331,053,580	1,331.05	664,720,260	664.72

10.2. Terms/Rights attached to the equity shares

The Company has equity shares having a par value of Re.1 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of the equity shares is entitled to one vote per share.

On winding up of Company, the holder of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to number of equity shares held. Terms attached to stock options granted to employees are described in note 28 regarding employee share based payments.

10.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	As at March 31,2021		As at March 31,2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Vishal A Mehta	119,918,800	9.01%	59,959,400	9.02%
Infinium Motors Private Limited	115,763,750	8.70%	53,047,220	7.98%
L7 Hitech Private Limited	74,494,209	5.60%	-	0.00%
Vishwas A Patel	153,191,324	11.51%	76,595,662	11.52%

Note: As per records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

10.4. Shares reserved for issue under options

For information relating to Infibeam Avenues Limited Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period please refer to note 28.

10.5. Distribution made and proposed

(₹ in Million)

Particulars	31 March 2021	31 March 2020
Cash dividends on Equity Shares declared and paid:		
Interim dividend for Year Ended 31 March, 2021: ₹ Nil Per share (31 March, 2020: ₹ 0.10 Per Share)	-	66.37
Less: Paid to IEW Trust (refer note 29)	-	(0.28)
Net interim dividend paid	-	66.09
Proposed dividends on Equity Shares:		
Final cash dividend for 31 March, 2021: ₹ 0.05 Per share (31 March, 2020: ₹ Nil Per Share)	66.55	
(including Payable to IEW trust)		

Note: Refer note 26 for dividend paid to related party transactions

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 11 : Other Equity

(₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
General reserve		
Opening balance	(0.00)	105.22
Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note : 36)	-	(107.31)
Add: Addition on account of lapse of options	0.15	2.10
Balance at the end of the year	**0.15**	**(0.00)**
Securities premium		
Opening balance	25,136.73	25,054.39
Add: on exercising of options	32.62	82.33
Less: capitalisation on issue of bonus shares	(665.53)	-
Balance at the end of the year	**24,503.82**	**25,136.73**
Capital reserve		
Opening balance	100.00	-
Add: transfer on forfeiture of equity share warrants	-	100.00
Balance at the end of the year	**100.00**	**100.00**
Employees Stock Options Outstanding (Net)- (refer note 28)		
Opening balance	206.93	239.20
Add : Employee compensation expense for the year	106.93	52.16
Less: Transfer to securities premium on exercise of options	(32.62)	(82.33)
Less: Reversal due to lapse of options	(0.15)	(2.10)
Balance at the end of the year	**281.08**	**206.93**
Treasury Shares (refer note 29)		
Opening balance	(396.06)	(396.06)
Add : (Purchase) of treasury shares by the trust during the year	-	-
Balance at the end of the year	**(396.06)**	**(396.06)**
Money received against share warrants		
Opening balance	-	100.00
Less: transfer to Capital Reserve on forfeiture of equity share warrants	-	(100.00)
Balance at the end of the year	**-**	**-**
IEW Trust Reserve (refer note 29)		
Opening balance	0.00	0.00
Add : Received during the year	-	-
Balance at the end of the year	**0.00**	**0.00**
Retained earnings		
Opening balance	255.24	229.19
Add: Profit for the year	494.02	385.93
Add: OCI for the year	2.11	(1.17)
	751.37	**613.95**
Less: Appropriation		
Additional dividend on equity shares		
Dividend distribution tax on additional dividend		
Dividend paid (refer note 26)	-	(65.39)
Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note : 36)	-	(278.56)
Dividend distribution tax	-	(14.06)
Transition impact on account of adoption of Ind AS 116 “Leases"	-	(0.70)
Balance at the end of the year	**751.37**	**255.24**
Total	**25,240.37**	**25,302.84**

* Represents amount less than one million

Notes to the Financial Statements
for the year ended 31st March, 2021

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss as also on account of lapse of stock options. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Securities premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

Employees Stock Options Outstanding

The share based option outstanding account is used to recognise the grant date fair value of options issued to employees under group's employee stock option schemes.

Money received against share warrants

The Board of Directors of Infibeam Avenues Limited in its meeting held on February 14, 2018 issued 21,45,002 warrants to TV18 Broadcast Limited (a company not forming part of promoter and promoter group) on preferential basis with a right to apply and get allotment of equity shares of the Company of face value of Re 1 each within a period of 18 months from the date of allotment of warrant at a price of ₹ 186.48 (including premium of ₹ 185.48 each) aggregating to consideration not exceeding ₹ 40,00,00,000 (Rupees Forty crore only). Accordingly, Company has recived ₹ 10,00,00,000 (Rupees Ten crore only) on 28 March 2018 and alloted warrants for the same on March 29, 2018. On expiry of right to apply and get allotement of equity shares, the money received against share warrants are forfeited and transfered to Capital Reserve.

Note 12 : Financial liabilities

12 - Borrowings (₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	110.41	175.81
Total long-term borrowings	**110.41**	**175.81**
Short-term Borrowings		
Secured		
Term loan from bank (refer note below)	87.90	87.90
Total short-term borrowings	**87.90**	**87.90**
Total	**198.31**	**263.71**

Terms of borrowings:

Term Loan:

The company has a Rupee Term Loan sanctioned facility of ₹ 507.1 million (previous year ₹ 427.5 million) from Indusind Bank Limited. The facility carries interest of 10.35% till May 13, 2020 and interest of 10% from May 14, 2020. The facility is secured against the mortgage of Gift Two building, Gift City , Gandhinagar. The term loan is repayable in quarterly installments of ₹ 22.5 million each.

Loan Covenant

Bank term loan availed by the Company are subject to certain covenants relating to Debt Service Coverage Ratio (DSCR), Interest Coverage Ratio and External Rating which Company has to maintain from Financial Year 2019.

Notes to the Financial Statements
for the year ended 31st March, 2021

12 - Trade payable

(₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
Current		
Creditors for Expenses		
a) Total outstanding dues of micro enterprises and small enterprises	0.18	2.30
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	76.88	73.90
Total	**77.06**	**76.20**

(i) Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

(ii) For disclosure required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006, refer note 35

(iii) For explanation on Company's liability risk management process, refer note 33

12 - Other financial liabilities

(₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
Non Current		
Lease liability (refer note 31)	42.84	34.66
Total non current financial liabilities	**42.84**	**34.66**
Current		
Employee benefits payable	33.20	29.01
Provision for expenses	91.25	64.17
Interest accrued and due on term loan	7.58	0.08
Lease liability (refer note 31)	19.04	13.13
Creditor for capital goods	8.55	9.71
Security deposits from merchants	14.35	20.26
Unpaid dividends	0.30	0.30
Other payables	69.55	22.04
Total current financial liabilities	**243.84**	**158.70**
Total	**286.68**	**193.36**

12 Financial liabilities by category

(₹ in Million)

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2021			
Borrowings	-		198.31
Trade payable	-		77.06
Other financial liabilities	-		286.68
Total Financial liabilities	-		**562.05**

Notes to the Financial Statements
for the year ended 31st March, 2021

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2020			
Borrowings	-		263.71
Trade payable	-		76.20
Other financial liabilities	-		193.36
Total Financial liabilities	-		**533.27**

For Financial instruments risk management objectives and policies, refer Note 33

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33.

Note 13 : Provisions

(₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
Non - current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	46.60	43.07
Total Non Current Provisions	**46.60**	**43.07**
Current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	13.73	12.20
Total Current Provisions	**13.73**	**12.20**
Total	**60.33**	**55.27**

Note 14 : Other current liabilities

(₹ in Million)

Particulars	As at March 31,2021	As at March 31,2020
Advance from customers	6.46	27.13
Statutory dues including provident fund and tax deducted at source	17.80	17.42
Payable for settlement of payment gateway transaction (refere note 37)	5,132.90	1,817.81
Excess billing over revenue	10.25	55.71
	5,167.41	**1,918.07**
Total	**5,167.41**	**1,918.07**

Note 15 : Revenue from operations

(₹ in Million)

Particulars	2020-21	2019-20
Sale of services	5,767.02	5,818.49
Total	**5,767.02**	**5,818.49**

Refer note 40 “Disclosure pursuant to Ind AS 115 “Revenue from contract with customers”

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 16 : Other income

(₹ in Million)

Particulars	2020-21	2019-20
Interest income on:		
- Bank deposits	47.29	54.86
- Others	16.85	15.00
Exchange gain/loss	-	7.35
Excess Provision written back	10.92	-
Short Term Capital Gain on sale of mutual funds	0.29	1.46
Rental Income**	9.48	11.63
Profit on sale of Investment	3.00	-
Miscellaneous income	3.58	-
Total	**91.42**	**90.30**

** The Company has entered into lease agreement for office premises with its subsidiary and associate companies. The leasing agreement is cancellable, and renewable on a periodic basis by mutual consent on mutually accepted terms including escalation of lease rent. Lease income from related parties recognised in the Statement of Profit and Loss for the year amounts to ₹ 7.18 million (March 31, 2020: 11.63 milion). (refer note 26)

Note 17 : Employee benefits expense

(₹ in Million)

Particulars	2020-21	2019-20
Salaries, wages and bonus^	450.87	419.83
Contribution to provident fund and other funds (refer note 25)	14.00	12.39
Share based payments to employees (refer note 28)	23.54	42.04
Staff welfare expenses	1.08	3.84
Total	**489.49**	**478.10**
^Salaries,wages and bonus (net of capitalisation)		
Salaries,wages and bonus	456.32	419.83
Less : Cost capitalised	(5.45)	-
Salaries,wages and bonus cost for the year	**450.87**	**419.83**
*** Employee stock option outstanding expenses**		
Share based payment expense	106.93	52.16
Less : Cost capitalised	(75.61)	-
Less : Expense recovered from the subsidary/associate companies	(7.78)	(10.12)
ESOP cost for the year	**23.54**	**42.04**

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 18 : Finance costs

(₹ in Million)

Particulars	2020-21	2019-20
Interest expense on:		
- Bank Loan	26.63	34.49
- Statutory dues	1.01	0.34
Interest on lease payment (refer note 31)	5.74	5.25
Other borrowing cost	2.14	2.11
Total	**35.52**	**42.18**

Note 19 : Depreciation and Amortization expense

(₹ in Million)

Particulars	2020-21	2019-20
Depreciation on Tangible assets (refer note 5)	423.05	240.78
Amortization on Intangible assets (refer note 6)	247.18	456.46
Amortisation on Right of use assets (refer note 5)	18.54	14.94
Total	**688.77**	**712.18**

Note 20 : Other expenses

(₹ in Million)

Particulars	2020-21	2019-20
Bank charges	3.44	2.54
Communication expenses	8.84	9.32
CSR expenses (refer note 32)	9.65	7.30
Legal and consultancy expenses	33.51	25.07
Office expenses	26.29	17.00
Payments to auditors - statutory audit fees (refer note below)	6.06	6.15
Rent	3.72	2.95
Rate and taxes	1.53	46.85
Web hosting and server support expense	34.91	46.09
Advertisement expenses	57.73	47.69
Net foreign exchange loss	7.27	-
Electricity expenses*	9.78	10.89
Traveling expenses	1.00	10.32
Service charges	2.16	7.08
Allowances for bad debts expenses	29.74	12.45
Balances / Bad Debts written off	10.92	-
Miscellaneous expenses	1.15	2.62
Total	**247.71**	**254.30**

* Electricity expenses is net of government grant amounting to ₹ 1.88 million (March 31, 2020: ₹ 1.48 million)

Notes to the Financial Statements

for the year ended 31st March, 2021

Payment to auditors

(₹ in Million)

Particulars	2020-21	2019-2020
As auditor:		
Audit fees	1.50	1.50
Limited review	4.50	4.50
Certification charges	0.03	0.15
Reimbursement of expense	0.03	-
Total	**6.06**	**6.15**

Note 21 : Contingent liabilities

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts	-	-
b. Guarantees given by bank on behalf of the Company	-	-

Note 22 : Capital commitment and other commitments

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	0.36	1,740.59

Note 23 : Foreign Exchange Derivatives and Exposures not hedged

A. Foreign Exchange Derivatives: The Company does not have any foreign exchange derivatives

B. Exposure Not Hedged

Nature of exposure	Currency	Year ended March 31, 2021		Year ended March 31, 2020	
		Foreign currency	Local currency (₹ in Million)	Foreign currency	Local currency (₹ in Million)
Trade receivables	USD	1,977,732	144.59	1,818,353	137.59
	AED	3,670,000	73.77	-	-
	EURO	229,350	19.67	-	-
	OMR	15,535	2.94	-	-
			-		-
Accrued revenue	USD	243,464	17.80	1,154,938	87.39
	AED	-	-	14,520	0.30
	SAR	376,200	7.33	468,500	9.44
			-		-
Provision for expenses	USD	6,650	0.49	6,250	0.47
			-		-
Creditors for expenses	USD	39,510	2.89	33,327	2.52
			-		-
Bank balance	USD	1,601,725	117.10	28,110	2.13

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 24 : Income tax

(₹ in Million)

Particulars	2020-21	2019-20
Tax paid in advance (net of provision)	242.81	182.34
Total	**242.81**	**182.34**
Provision for tax (net of advance tax)	48.05	47.76
Total	**48.05**	**47.76**

The major component of income tax expense for the years ended March 31, 2021 and March 31, 2020 are :

Particulars	2020-21	2019-20
Statement of Profit and Loss		
Current tax (incl tax on OCI)		
Current year	77.69	112.52
Deferred tax		
Deferred tax expense relating to origination and reversal of temporary difference	33.49	100.04
Income tax expense reported in the statement of profit and loss	**111.19**	**212.56**

Note : The Company elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019. Accordingly, the Company has recognized the provision for income tax for the year ended March 31, 2021 and re-measured its deferred tax basis the rate prescribed in the said section. Accordingly, previous periods tax expenses are not comparable.

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2021 and March 31, 2020.

A) Current tax

(₹ in Million)

Particulars	2020-21	2019-20
Accounting profit before tax from continuing operations	604.49	598.48
Enacted tax rate	25%	35%
Computed expected tax expense	152.14	209.13
Adjustments		
Non-deductable expenses (B)		
Effect of non-deductable expenses	(40.95)	3.42
	111.19	**212.56**

Notes to the Financial Statements

for the year ended 31st March, 2021

B) Deferred tax

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(₹ in Million)

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred income tax assets				
Provision for employee benefits	12.91	18.08	(5.18)	2.92
IPO Expenses	55.05	98.30	(43.24)	(21.86)
Allowance for Bad debts	19.43	20.40	(0.97)	4.35
Lease hold property Ind AS 116	1.15	0.91	0.24	0.91
Total deferred income tax assets	**88.54**	**137.69**	**(49.15)**	**(13.68)**
Deferred income tax liabilities				
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	409.48	425.13	(15.65)	86.36
Total deferred income tax liabilities	**409.48**	**425.13**	**(15.65)**	**86.36**
Deferred tax expense/(income)			**33.49**	**100.04**
Net deferred tax assets/ (liabilities)	**(320.94)**	**(287.45)**		
Reflected in the balance sheet as follows				
Deferred tax assets	88.54	137.69		
Deferred tax liabilities	409.48	425.13		
Deferred tax liability (net)	**(320.94)**	**(287.45)**		

(₹ in Million)

	March 31, 2021	March 31, 2020
Reconciliation of deferred tax assets / (liabilities), net		
Opening balance as of April 1,	(287.45)	(187.41)
Tax income/(expense) during the period recognised in profit or loss	(33.49)	(100.04)
Closing balance as at March 31,	**(320.94)**	**(287.45)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 25 : Disclosure pursuant to Employee benefits

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution is charged to the Statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and other funds for the year are as follows:

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provident Fund	13.56	11.70
ESIC	0.44	0.69
	14.00	**12.39**

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

March 31, 2021 : Changes in defined benefit obligation and plan assets

(₹ in Million)

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2020	Transfer in/(out) obligation	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contri-butions by employer	March 31, 2021
Gratuity													
Defined benefit obligation	55.27	-	6.51	3.09	9.60	(1.71)	-	-	(4.65)	1.82	(2.82)	-	60.33
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	55.27	-	6.51	3.09	9.60	(1.71)	-	-	(4.65)	1.82	(2.82)	-	60.33
Total benefit liability	**55.27**	**-**	**6.51**	**3.09**	**9.60**	**(1.71)**	**-**	**-**	**(4.65)**	**1.82**	**(2.82)**	**-**	**60.33**

March 31, 2020 : Changes in defined benefit obligation and plan assets

(₹ in Million)

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2019	Transfer in/(out) obligation	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contri-butions by employer	March 31, 2020
Gratuity													
Defined benefit obligation	46.90	-	6.05	3.13	9.19	(1.99)	-	-	(0.05)	1.22	1.17	-	55.27
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	46.90	-	6.05	3.13	9.19	(1.99)	-	-	(0.05)	1.22	1.17	-	55.27
Total benefit liability	**46.90**	**-**	**6.05**	**3.13**	**9.19**	**(1.99)**	**-**	**-**	**(0.05)**	**1.22**	**1.17**	**-**	**55.27**

Notes to the Financial Statements
for the year ended 31st March, 2021

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	5.58% - 5.60%	5.75% - 5.76%
Future salary increase	8%	8%
Attrition rate	40% at younger ages reducing to 5.00% at older ages	20% - 40% at younger ages reducing to 5% at older ages
Morality rate	IALM(2006-08) published table of mortality rates	IALM(2006-08) published table of mortality rates
Retirement age	58 years	58 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity (₹ in Million)

Particulars	(increase) / decrease in defined benefit obligation (Impact)		
	Sensitivity level	Year ended March 31, 2021	Year ended March 31, 2020
Gratuity			
Discount rate	0.5% - 1% increase	(15.24)	(15.74)
	0.5% - 1% decrease	15.73	16.27
Future Salary increase	0.5% - 1% increase	15.34	15.77
	0.5% - 1% decrease	(15.01)	(15.41)
Withdrawal rates (W.R.)	0.5% - 1% increase	(13.81)	(14.53)
	0.5% - 1% decrease	14.08	14.89

Notes to the Financial Statements
for the year ended 31st March, 2021

The followings are the expected future benefit payments for the defined benefit plan : (₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gratuity		
Within one year	13.73	9.98
After one year but not more than five years	32.33	28.63
More than five years	29.02	30.18

Risk Exposure :

i. Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

ii. Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

iii. Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

iv. Actuarial Risk

a. Salary Increase Assumption

Actual Salary increases that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.

b. Attrition/Withdrawal Assumption

If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the company and the financials assumptions.

v. Regulatory Risk

Any Changes to the current Regulations by the Government, will increase (in most cases) or Decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly.

Notes to the Financial Statements

for the year ended 31st March, 2021

Note 26 : Related Party disclosures.

As per the Indian Accounting Standard on "Related Party Disclosures" (IND AS 24), the related parties of the Company are as follows :

Name of Related Parties and Nature of Relationship :

Sr. No.	Relationship	Name of company / person
1	**Subsidiary Company**	Infibeam Digital Entertainment Private Limited
		Odigma Consultancy Solutions Private Limited
		Infibeam Logistics Private Limited
		Avenues Infinite Private Limited
		Vavin International Limited
		DRC Systems India Limited (upto March 31, 2020)
		Avenues World FZ LLC
		Instant Global Paytech Private Limited (with effect from May 06, 2020)
		Cardpay Technologies Private Limited (with effect from June 05, 2020)
		AI Fintech Inc (with effect from June 09, 2020)
		So Hum Bharat Digital Payment Limited (with effect from February 20, 2021)
2	**Associate Company**	Avenues Payments India Private Limited
		Instant Global Paytech Private Limited (upto May 05, 2020)
		NSI Infinium Global Limited (upto March 31, 2020)
		DRC Systems India Limited (with effect from April 01, 2020)
		Infibeam Global EMEA FZ LLC
3	**Key Management Personnel**	
	Managing Director	Vishal Ajit Mehta
	Executive Director	Vishwas Ambalal Patel
	Non-executive Directors	Malav Ajit Mehta (upto June 05, 2020)
		Ajit Champaklal Mehta
		Roopkishan Sohanlal Dave
		Keyoor Madhusudan Bakshi
		Vijaylaxmi Tulsidas Sheth
		Piyushkumar Sinha
	Chief Financial Officer (CFO)	Hiren Padhya
	Company Secretary (CS)	Shyamal Trivedi
4	**Relatives of KMP**	Jayshree Ajit Mehta
		Nirali Vishal Mehta
		Malav A. Mehta (with effect from June 06, 2020)
		Anoli Malav Mehta
		Varini Vishwas Patel
		Vivek Vishwas Patel
5	**Company where Key Managerial personnel can exercise control / significant influence**	Tripwheels and Drive Private Limited (formerly known as Infinium Automall Private Limited) (upto March 14, 2020)
		Infinium Communication Private Limited
		Infinity Drive Private Limited (upto April 20, 2020)
		Infinium Motors (Gujarat) Private Limited
		Infinium Motors Private Limited
		Avenues Enterprises Private Limited

Notes to the Financial Statements

for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	**Period ending**	**Key Management Personnel (KMP) and relatives of KMP**	**Company where Key Managerial personnel can exercise control / significant influence**	**Associate Company**	**Subsidiary Companies**	**Total**
Issue of equity shares on exercising of ESOP (Number of shares)						
Chief Financial officer (CFO)	31-Mar-21	**0.02**	**-**	**-**	**-**	**0.02**
	31-Mar-20	0.01	-	-	-	0.01
Company secretary (CS)	31-Mar-21	**0.03**	**-**	**-**	**-**	**0.03**
	31-Mar-20	0.04	-	-	-	0.04
Issue of equity shares pursuant to Bonus Issue (Number of shares)	31-Mar-21	**255.31**	**58.39**	**-**	**-**	**313.70**
	31-Mar-20	-	-	-	-	-
Issue of equity shares of DRC Systems India Limited pursuant to Scheme of Arrangement (Number of shares)	31-Mar-21	**0.64**	**0.14**	**-**	**-**	**0.78**
	31-Mar-20	-	-	-	-	-
Issue of equity shares of Suvidhaa Infoserve Limited pursuant to Scheme of Arrangement (Number of shares)	31-Mar-21	**34.48**	**7.67**	**-**	**-**	**42.15**
	31-Mar-20	-	-	-	-	-
Investment in equity shares		-	-	-	-	
Avenues Infinite Private Limited	31-Mar-21	**-**	**-**	**-**	**580.80**	**580.80**
	31-Mar-20	-	-	-	-	-
So Hum Bharat Digital Payment Private Limited	31-Mar-21	**-**	**-**	**-**	**5.05**	**5.05**
	31-Mar-20	-	-	-	-	-
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**70.00**	**-**	**70.00**
	31-Mar-20	-	-	-	-	**-**
AI Fintech Inc	31-Mar-21	**-**	**-**	**-**	**92.70**	**92.70**
	31-Mar-20	-	-	-	-	-
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**151.90**	**151.90**
	31-Mar-20	-	-	-	110.25	110.25
Cardpay Technologies Private Limited	31-Mar-21	**-**	**-**	**-**	**4.50**	**4.50**
	31-Mar-20	-	-	-	-	-
Vavain International Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	-	80.01	80.01
Sale of shares of Cardpay Technologies Private Limited						
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**7.50**	**7.50**
	31-Mar-20	-	-	-	-	-
Gift of shares of NSI Infinium Global Limited						
Avenues Infinite Private Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	-	605.16	**605.16**

Notes to the Financial Statements
for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
Loans given						
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	0.75	-	**0.75**
Infibeam Logistics Private Limited	31-Mar-21	**-**	**-**	**-**	**110.87**	**110.87**
	31-Mar-20	-	-	-	73.40	**73.40**
Avenues Infinite Private Limited	31-Mar-21	**-**	**-**	**-**	**0.71**	**0.71**
	31-Mar-20	-	-	-	1.98	1.98
Avenues Payments India Private Limited	31-Mar-21	**-**	**-**	**10.00**	**-**	**10.00**
	31-Mar-20	-	-	0.01	-	0.01
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**43.65**	**43.65**
	31-Mar-20	-	-	-	-	-
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**28.98**	**28.98**
	31-Mar-20	-	-	-	-	**-**
DRC Systems India Limited	31-Mar-21	**-**	**-**	**30.07**	**-**	**30.07**
	31-Mar-20	-	-	-	-	**-**
Chief Financial Officer	31-Mar-21	**0.30**	**-**	**-**	**-**	**0.30**
	31-Mar-20	0.30	-	-	-	0.30
Company Secretary (CS)	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	0.30	-	-	-	0.30
Repayment of loan given		-	-	-	-	
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**28.92**	**28.92**
	31-Mar-20	-	-	-	-	-
DRC Systems India Limited	31-Mar-21	**-**	**-**	**30.07**	**-**	**30.07**
	31-Mar-20	-	-	-	-	-
Infibeam Logistics Private Limited	31-Mar-21	**-**	**-**	**-**	**138.41**	**138.41**
	31-Mar-20	-	-	-	153.66	153.66
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**43.65**	**43.65**
	31-Mar-20	-	-	-	-	-
Chief Financial Officer	31-Mar-21	**0.10**	**-**	**-**	**-**	**0.10**
	31-Mar-20	0.10	-	-	-	0.10
Company Secretary (CS)	31-Mar-21	**0.30**	**-**	**-**	**-**	**0.30**
	31-Mar-20	-	-	-	-	-
Advance received towards services						
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**6.46**	**6.46**
	31-Mar-20	-	-	-	-	-
Reimbursement of expenses from (amount receivable)						
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**

Notes to the Financial Statements
for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
	31-Mar-20	-	-	0.93	-	0.93
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.32**	**0.32**
	31-Mar-20	-	-	-	-	-
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**0.06**	**0.06**
	31-Mar-20	-	-	-	0.08	0.08
Infibeam Logistics Pvt Ltd	31-Mar-21	**-**	**-**	**-**	**2.00**	**2.00**
	31-Mar-20	-	-	-	0.06	0.06
DRC Systems India Limited	31-Mar-21	**-**	**-**	**0.61**	**-**	**0.61**
	31-Mar-20	-	-	-	0.38	0.38
Infinium Motors Private Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	0.02	-	-	0.02
Purchase of Go Cards		-	-	-	-	
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**1.86**	**-**	**1.86**
	31-Mar-20	-	-	1.13	-	**1.13**
Purchase of fixed assets						
Infinium Motors Private Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	9.88	-	-	9.88
Services given						
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**220.53**	**220.53**
	31-Mar-20	-	-	-	538.48	538.48
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	1.87	-	1.87
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**1.73**	**22.30**	**24.03**
	31-Mar-20	-	-	21.39	-	21.39
DRC Systems India Limited	31-Mar-21	**-**	**-**	**92.13**	**-**	**92.13**
	31-Mar-20	-	-	-	17.50	17.50
Infinium Motors Private Limited	31-Mar-21	**-**	**24.00**	**-**	**-**	**24.00**
	31-Mar-20	-	-	-	-	-
Avenues World FZ LLC	31-Mar-21	**-**	**-**	**-**	**73.77**	**73.77**
	31-Mar-20	-	-	-	-	-
Services taken						
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**0.01**	**0.24**	**0.25**
	31-Mar-20	-	-	-	-	-
Rental Income		-	-	-	-	
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	3.64	-	**3.64**
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**0.09**	**0.09**

Notes to the Financial Statements

for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
	31-Mar-20	-	-	-	0.39	0.39
Infibeam Digial Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.33**	**0.33**
	31-Mar-20	-	-	-	0.60	0.60
Infibeam Logistics Private Limited	31-Mar-21	**-**	**-**	**-**	**0.63**	**0.63**
	31-Mar-20	-	-	-	1.20	1.20
DRC Systems India Limited	31-Mar-21	**-**	**-**	**5.80**	**-**	**5.80**
	31-Mar-20	-	-	-	4.51	4.51
Cardpay Technologies Private Limited	31-Mar-21	**-**	**-**	**-**	**0.04**	**0.04**
	31-Mar-20	-	-	-	-	**-**
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**0.03**	**0.27**	**0.30**
	31-Mar-20	-	-	0.30	-	0.30
Interest income		-	-	-	-	
DRC Systems India Limited	31-Mar-21	**-**	**-**	**0.22**	**-**	**0.22**
	31-Mar-20	-	-	-	0.25	0.25
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.63**	**0.63**
	31-Mar-20	-	-	-	-	-
ESOP cost recovered						
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	0.07	-	0.07
Odigma consultancy solutions private limited	31-Mar-21	**-**	**-**	**-**	**0.77**	**0.77**
	31-Mar-20	-	-	-	0.55	0.55
DRC Systems India Limited	31-Mar-21	**-**	**-**	**6.94**	**-**	**6.94**
	31-Mar-20	-	-	-	8.79	8.79
Dividend paid	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	27.07	7.04	-	-	34.11
Transaction with key Management personnel						
Salaries and ESOP to key managerial personnel						
Chief Financial Officer	31-Mar-21	**5.87**	**-**	**-**	**-**	**5.87**
	31-Mar-20	5.01	-	-	-	5.01
Company Secretary	31-Mar-21	**5.39**	**-**	**-**	**-**	**5.39**
	31-Mar-20	5.08	-	-	-	5.08
Rent expense		-	-	-	-	
Vishwas Patel (Executive Director)	31-Mar-21	**12.79**	**-**	**-**	**-**	**12.79**
	31-Mar-20	12.79	-	-	-	12.79
Rent Deposits		-	-	-	-	
Vishwas Patel (Executive Director)	31-Mar-21	-	-	-	-	**-**

Notes to the Financial Statements
for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
	31-Mar-20	2.45	-	-	-	2.45
Directors sitting fees expense		-	-	-	-	
Director sitting fees to non-executive and independent directors	31-Mar-21	**1.16**	**-**	**-**	**-**	**1.16**
	31-Mar-20	1.46	-	-	-	1.46
Closing balances						
Investment						
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**31.45**	**31.45**
	31-Mar-20	-	-	-	31.45	31.45
Avenues Infinite Private Limited	31-Mar-21	**-**	**-**	**-**	**1,195.96**	**1,195.96**
	31-Mar-20	-	-	-	615.16	615.16
Infibeam Logistics Private Limited	31-Mar-21	**-**	**-**	**-**	**375.10**	**375.10**
	31-Mar-20	-	-	-	375.10	375.10
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**262.25**	**262.25**
	31-Mar-20	-	-	-	110.35	110.35
Infibeam Global EMEA FZ LLC	31-Mar-21	**-**	**-**	**675.86**	**-**	**675.86**
	31-Mar-20	-	-	675.86	-	675.86
Avenue Payment India Private Limited	31-Mar-21	**-**	**-**	**214.03**	**-**	**214.03**
	31-Mar-20	-	-	214.03	-	214.03
DRC Systems India Limited	31-Mar-21	**-**	**-**	**30.60**	**-**	**30.60**
	31-Mar-20	-	-	-	30.60	30.60
Vavian International Limited	31-Mar-21	**-**	**-**	**-**	**289.99**	**289.99**
	31-Mar-20	-	-	-	289.99	289.99
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**130.00**	**130.00**
	31-Mar-20	-	-	60.00	-	60.00
AI Fintech	31-Mar-21	**-**	**-**	**-**	**92.70**	**92.70**
	31-Mar-20	-	-	-	-	-
So Hum Bharat Digital Payment Private Limited	31-Mar-21	**-**	**-**	**-**	**5.05**	**5.05**
	31-Mar-20	-	-	-	-	-
Investment (in Preference Shares)						
Avenue Payment India Private Limited	31-Mar-21	**-**	**-**	**30.00**	**-**	**30.00**
	31-Mar-20	-	-	30.00	-	30.00
Trade receivable						
Odigma Consultancy Solutions Private Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	-	0.06	0.06
DRC Systems India Limited	31-Mar-21	**-**	**-**	**27.00**	**-**	**27.00**
	31-Mar-20	-	-	-	13.40	13.40

Notes to the Financial Statements

for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	**Period ending**	**Key Management Personnel (KMP) and relatives of KMP**	**Company where Key Managerial personnel can exercise control / significant influence**	**Associate Company**	**Subsidiary Companies**	**Total**
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**1.48**	**1.48**
	31-Mar-20	-	-	-	-	-
Unbilled revenue						
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**2.34**	**2.34**
	31-Mar-20	-	-	-	130.00	130.00
Loans and advances given		-	-	-	-	
Infibeam Logistics Private Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	-	27.54	27.54
Avenues Infinite Private Limited	31-Mar-21	**-**	**-**	**-**	**2.69**	**2.69**
	31-Mar-20	-	-	-	1.98	1.98
Avenue Payment India Private Limited	31-Mar-21	**-**	**-**	**10.01**	**-**	**10.01**
	31-Mar-20	-	-	0.01	-	0.01
NSI Infinium Global Limited	31-Mar-21	-	-	-	-	**-**
	31-Mar-20	-	-	0.75	-	0.75
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.07**	**0.07**
	31-Mar-20	-	-	-	-	-
Chief Financial Officer	31-Mar-21	**0.70**	**-**	**-**	**-**	**0.70**
	31-Mar-20	0.50	-	-	-	0.50
Company Secretary	31-Mar-21	**-**	**-**	**-**	**-**	**-**
	31-Mar-20	0.30	-	-	-	0.30
Receivables for reimbursement		-	-	-	-	
Infibeam Logistics Private Limited	31-Mar-21	**-**	**-**	**-**	**-**	**-**
	31-Mar-20	-	-	-	0.86	0.86
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.14**	**0.14**
	31-Mar-20	-	-	-	1.94	1.94
NSI Infinium Global Limited	31-Mar-21	**-**	**-**	**-**	**-**	**-**
	31-Mar-20	-	-	0.93	-	0.93
Receivables for interest on loan		-	-	-	-	
Infibeam Digital Entertainment Private Limited	31-Mar-21	**-**	**-**	**-**	**0.59**	**0.59**
	31-Mar-20	-	-	-	-	-
Advance received towards services						
Odigma Consultancy Solutions Private Limited	31-Mar-21	**-**	**-**	**-**	**6.46**	**6.46**
	31-Mar-20	-	-	-	-	-
Rent Payable		-	-	-	-	
Vishwas Ambalal Patel	31-Mar-21	**6.46**	**-**	**-**	**-**	**6.46**
	31-Mar-20	1.10	-	-	-	1.10

Notes to the Financial Statements
for the year ended 31st March, 2021

Related party transactions (₹ in Million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
Director sitting fees payable						
Director sitting fees payable to non-executive and independent directors	31-Mar-21	-	-	-	-	-
	31-Mar-20	0.14	-	-	-	0.14
Creditors for Expenses		-	-	-	-	
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**0.12**	**0.12**
	31-Mar-20	-	-	-	-	-
Payable for settlement of payment gateway transactions		-	-	-	-	
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**6.79**	**6.79**
	31-Mar-20	-	-	4.10	-	4.10
Security deposit given		-	-	-	-	
Vishwas Ambalal Patel	31-Mar-21	**3.20**	**-**	**-**	**-**	**3.20**
	31-Mar-20	3.20	-	-	-	3.20
Other receivables on account of scheme of arrangement		-	-	-	-	
DRC Systems India Limited	31-Mar-21	**-**	**-**	**15.00**	**-**	**15.00**
	31-Mar-20	-	-	-	-	-
Security deposit taken		-	-	-	-	
Instant Global Paytech Private Limited	31-Mar-21	**-**	**-**	**-**	**0.10**	**0.10**
	31-Mar-20	-	-	0.10	-	0.10

Terms and conditions of transactions with related parties

(1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: ₹ 10.92 million). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2021 (March 31, 2020: Nil)

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 27 : Earning per share

(₹ in Million)

Particulars	2020-21	2019-20
Earning per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	494.02	385.93
From continuing operations	494.02	394.46
From discontinued operations	-	(8.54)
Total no. of equity shares at the end of the year	1,331,053,580	664,720,260
Add: Issue of Bonus shares during FY-2020-21 in the ratio of 1:1 *	-	664,720,260
Total no. of equity shares at the end of the year	1,331,053,580	1,329,440,520
* Since the bonus issue is an issue without consideration, the bonus issue is treated as if it had occurred prior to the beginning of the year FY-2020-21, the earliest period reported.		
Weighted average number of equity shares		
For basic EPS	1,324,387,058	1,327,346,263
For diluted EPS	1,340,367,904	1,335,801,971
Nominal value of equity shares	1.00	1.00
From continuing operations		
Basic earning per share	0.37	0.30
Diluted earning per share	0.37	0.30
From discontinued operations		
Basic earning per share	-	(0.01)
Diluted earning per share	-	(0.01)
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	1,324,387,058	1,327,346,263
Effect of dilution: Employee stock options	15,980,846	8,455,708
Weighted average number of equity shares adjusted for the effect of dilution	1,340,367,904	1,335,801,971

Note 28: Share based payments

Employee stock option (ESOP) scheme (2013-14):

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 17, 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 30, 2013. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Employee stock option (ESOP) scheme (2014-15)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 27, 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 31, 2014. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Notes to the Financial Statements
for the year ended 31st March, 2021

Employee stock option (ESOP) scheme (2019-20)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on June 29, 2019, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on July 30, 2019. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Scheme	ESOP Scheme 2013-14				ESOP Scheme 2019-20	
Date of grant	April 1 , 2020	July 01, 2020	October 25 , 2020	January 01, 2021	July 01, 2020	January 01, 2021
Number of options granted	200,000	85,000	19,850	80,000	116	4,200,000
Exercise price per option	1.00	1.00	1.00	1.00	1.00	1.00
Vesting requirements	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.
Exercise period	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years
Method of settlement	Demat mode	Demat mode	Demat mode	Demat mode	Demat mode	Demat mode

The following table sets forth a summary of the activity of options: (₹ in Million)

Particulars	2020-21			2019-20		
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20
Options						
Outstanding at the beginning of the year	263,680	3,966,220	100,000	146,211	5,031,860	-
Granted during the year	384,850	-	4,316,100	426,679	-	100,000
Exercised during the year	(369,380)	(437,150)	-	(290,060)	(1,037,960)	-
Lapse during the year	(92,800)	-	(1,000)	(19,150)	(27,680)	-
Outstanding at the end of the year-Pre-Bonus	186,350	3,529,070	4,415,100	263,680	3,966,220	100,000
Outstanding at the end of the year-Post-Bonus *	372,700	7,058,140	8,830,200			
Exercisable at the end of the year	372,700	7,058,140	8,830,200	263,680	3,966,220	100,000

* In view of Bonus shares issued by the Company in the ratio of 1:1, the outstanding stock options as on the record date of Bonus are being entitled to bonus and hence the post bonus effect is considered for outstanding stock options as at March 31, 2021.

Notes to the Financial Statements
for the year ended 31st March, 2021

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

(₹ in Million)

Particulars	2020-21	2019-20
	Indian Rupees.	Indian Rupees.
Employee stock option plan	23.54	42.04
Total employee share based payment expense	**23.54**	**42.04**

The fair value of the share based payment options granted on is determined using the black scholes model using the following inputs at the grant date which takes in to account the exercise price, the term of the option, the share price at the grant date, and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	31st March 2021				31st March 2020		
Option grant date	April 1, 2020	July 01, 2020	October 25 , 2020	January 01, 2021	April 01, 2019	October 25, 2019	January 01, 2020
Weighted average share price	35.97	60.82	83.07	86.41	43.19	45.01	55.12
Exercise price	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Expected volatility	64%	56%	50%	49%	50%	71%	71%
Expected life (years)	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Dividend yield	0.29%	0.29%	0.29%	0.29%	0.47%	0.47%	0.47%
Risk-free interest rate (%)	5.83%	4.66%	4.94%	4.99%	6.31%	5.41%	5.03%
Fair market value share	36.12	61.01	82.62	84.72	41.67	43.99	52.92
Weighted average remaining contractual life (Years)							

Employee Stock Appreciation Rights (SAR)

Pursuant to the resolution passed by the Board of Directors of the Company, at its meeting held on July 13, 2017 and the special resolution passed by the Members of the Company on August 11, 2017, the Infibeam Stock Appreciation Rights Scheme 2017 ("SAR Scheme 2017") was approved in accordance with the provisions of SEBI (SBEB) Regulations, having face value of ₹ 1.00 each. The Company has created "Infibeam Employees Welfare Fund" by way of a trust on September 5, 2017 which will be involved in the execution of Infibeam Stock Appreciation Rights Scheme 2017 (SAR). Barclays Wealth Trustees (India) Private Limited (Barclays) are appointed as trustees of the same. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

SARs granted are as under:

Particulars	Approval Date	No. of SAR's post-bonus	No. of SAR's pre-bonus	SAR Price Indian Rupees per SAR (post-bonus)	SAR Price Indian Rupees per SAR (pre-bonus)
Option grant date	February 14, 2019	5,592,622	2,796,311	70.50	141.00

Notes to the Financial Statements
for the year ended 31st March, 2021

Movement in options:

Particulars	SAR Scheme 2017 As at March 31, 2021	SAR Scheme 2017 As at March 31, 2020
SAR Scheme 2017		
Outstanding at the beginning of the year	2,031,311	2,276,311
Granted during the year	951,311	-
Exercised during the year	-	-
Lapse during the year	(186,311)	(245,000)
Outstanding at the end of the year -Pre-Bonus	2,796,311	2,031,311
Outstanding at the end of the year-Post-Bonus *	5,592,622	-
Exercisable at the end of the year-Pre-Bonus	1,845,000	2,031,311
Exercisable at the end of the year-Post-Bonus *	3,690,000	-

* In view of Bonus shares issued by the Company in the ratio of 1:1, the outstanding SAR as on the record date of Bonus are being entitled to bonus and hence the post bonus effect is considered for outstanding SAR as at March 31, 2021.

Note 29: Consolidation of Trust

The company has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. IEW trust purchases Company's shares out of funds provided by the Company. The Company treats IEW as its extension and accordingly shares held by IEW are treated as treasury shares.

The Consolidation of the IEW trust financials statements with that of the Company does not in any manner affect the independence of the trustees where the rights and obligations are regulated by the trust deed.

Own equity instruments (treasury shares) are deducted from equity.

(i) The sources and application of funds of the IEW Trust consolidated as at 31st March, 2021 were as follows:

(₹ in Million)

Particulars	2020-21	2019-20
Corpus Fund	0.00	0.00
Borrowing	402.19	401.96
Current liabilities and provision	40.44	40.29
Cash & Bank equivalents	0.01	0.26
Non current investments	396.06	396.06
Net asset / (liability)	**(46.56)**	**(45.94)**

(ii) Impact on the Company's profit and loss post IEW Trust consolidation for the year 31st March, 2021

(₹ in Million)

Particulars	2020-21	2019-20
Income		
Dividend on equity	-	0.28
Expenses		
Administrative expese	0.62	0.62
Impact on profit before tax	**(0.62)**	**(0.34)**

Notes to the Financial Statements
for the year ended 31st March, 2021

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended 31st March, 2021

(₹ in Million)

Particulars	2020-21	2019-20
Cash and cash equivalents 1st April,	**0.26**	**0.02**
Cash flow from operating activities	(0.48)	(4.00)
Cash flow from investing activities	-	0.28
Cash flow from financing activities	0.23	3.96
Cash and cash equivalents 31 March	**0.01**	**0.26**

Other items adjusted owing to the Trust consolidation include :

(a) Treasury shares

Upon consolidation, the investment in the Parent Company's equity shares made by IEW Trust is debited to the Group's equity as treasury shares amounting to ₹ 396. 06 million as at 31st March, 2021 (previous year: ₹ 396.06 million).

(b) Dividend Income

The dividend income of the Trust is debited to the Group's retained earning amounting to Nil as at 31st March, 2021 (previous year: ₹ 0.28 million) (shown as deduction from dividend paid).

(c) Other Non Current Financial Assets and other income

Loan advanced to the Trust is eliminated on consolidation amounting to ₹ 402.19 million as at 31st March, 2021 (previous year: ₹ 401.96 million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ₹ Nil (previous year: ₹ Nil).

(d) Interest Expenses

Due to significant difference in the purchase price of the shares accquired and prevailing market price of the share, the Group foresees inability of the ESOP Trust to service its loan obligations and interest payment temporirly. Accordingly the Group has reduced the interest on loan to zero.

Note 30: Segment reporting

Geographical segments for the Company are secondary segments. Segment revenue is analysed based on the location of customers regardless of where the services are provided from. The following provides an analysis of the Company's sales by Geographical Markets. For management purpose, the Company operates in three principal geographical areas of the world, in India, in UAE and other countries.

A. Information about geographical areas

The Company operates in three principal geographical areas of the world, in India, middle east, and the other countries. As the Company does not operate in more than one business segment, disclosures for primary segment as required under Ind AS 108 have not been given.

B. Unallocated items:

Domestic geographical segment includes certain assets which are comman to all the geographical segments (i.e. India, UAE and Others).

Non-current assets exclude financial instruments, deferred tax asets and tax assets.

C. Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

D. Major customer

Revenue from one customer of the Company's India segment is ₹ 1633.57 million which is more than 10 percent of the Company's total revenue for the year ended March 31, 2021.

Notes to the Financial Statements
for the year ended 31st March, 2021

Revenue from one customer of the Company's India segment is ₹ 1,644.58 million which is more than 10 percent of the Company's total revenue for the year ended March 31, 2020.

(₹ in Million)

	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31-03-21	5,351.73	157.48	257.81	**5,767.02**
	31-03-20	5,329.90	365.41	123.18	**5,818.49**
Carrying amount of segment non current assets *	31-03-21	24,916.40			**24,916.40**
	31-03-20	24,585.48	-	-	**24,585.48**

* The carrying amount of Non Current Assets which do not include Deferred Tax Asset, Income Tax Assets and Financial Assets analysed the geographical area in which the Assets are located.

Note 31: Lease

Company as Lessee

The Company's lease asset primarily consist of leases of buildings offices having the various lease terms. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2021 and March 31,2020:

(₹ in Million)

Particulars	Right to use asset Leasehold Building	
	March 31, 2021	March 31, 2020
Opening Balance		-
Transition impact on account of adoption of Ind AS 116 "Leases" (refer Note 3)	45.19	60.13
Total Right of Use on the date of transition	**45.19**	**60.13**
Additions during the year	32.15	-
Deletion during the year	-	-
Depreciation of Right of use assets (refer note 5)	18.54	14.94
Closing Balance	**58.81**	**45.19**

Notes to the Financial Statements
for the year ended 31st March, 2021

The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021 and March 31, 2020 :

(₹ in Million)

Particulars	Lease Liability Leasehold Building	
	March 31, 2021	March 31, 2020
Opening Balance	47.79	-
Transition impact on account of adoption of Ind AS 116 "Leases"	-	60.13
Additions during the year	29.25	-
Finance cost accrued during the year	5.74	5.25
Deletions	-	-
Payment of lease liabilities	(20.89)	(17.59)
Closing Balance	**61.89**	**47.79**
Current maturities of Lease liability (refer note 12)	19.04	13.13
Non-Current Lease Liability (refer note 12)	42.84	34.66

The following are the amounts recognised in statement of Profit & Loss :

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amortisation of Right to use assets	18.54	14.94
Interest on Lease obligation	5.74	5.25
	24.27	**20.19**

The adoption of the new standard has also resulted in decrease in profit before tax and profit for the year 2019-20 by

₹ 2.60 million (Increase in depreciation expense and finance cost by ₹ 14.94 million and ₹ 5.25 million respectively with corresponding decrease in other expense by ₹ 17.59 million). The effect of this adoption is insignificant on earnings per share. Ind AS 116 has also resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments by ₹ 17.59 million each. Total Deferred tax expense and deferred tax liabilities are decreased by ₹ 0.91 million.

The Company had total cash out flows for leases of ₹ 20.89 million in the current year (year ended March 31, 2020 ₹ 17.59 million). The entire amount is in the nature of fixed lease payments. The Company had non-cash addition to right of use assets of ₹ 32.15 million and lease liabilities of ₹ 29.25 million in the current year (year ended March 31, 2020 ₹ 60.13 million) on account of acquisition of right to use assets.

The weighted average incremental borrowing rate applied to lease liabilities is 10.65%

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 32 : Corporate Social Responsibility (CSR) Activities:

a. The Company is required to spend ₹ 9.65 Million (Previous Year ₹ 7.30 Million) on CSR activities.

b. Amount spent during the year on: (₹ in Million)

		Year ended					
		March 31, 2021			March 31, 2020		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of an Assets	-	-	-	-	-	-
(ii)	Contribution to Trust/Universities	9.65	-	9.65	7.30	-	7.30
(iii)	On Purposes other than above	-	-	-	-	-	-

Note 33 : Financial instruments – Fair values and risk management

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the Financial Statements.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

As at 31 March 2021 (₹ in Million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment		615.79	-	615.79	-	615.79	-	615.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	84.49	-	-	84.49		84.49	-	84.49
	84.49	**615.79**	**-**	**700.28**	**-**	**700.28**	**-**	**700.28**
Financial liabilities								
Long term borrowing	110.41	-	-	110.41	-	110.41	-	110.41
Other financial liabilities-non-current	42.84			42.84		42.84		42.84
	153.25	**-**	**-**	**153.25**	**-**	**153.25**	**-**	**153.25**

Notes to the Financial Statements

for the year ended 31st March, 2021

As at 31 March 2020

(₹ in Million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through		Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
		Other comprehensive income	Profit and loss					
Financial assets								
Non current investment	-	615.79	-	615.79	-	615.79	-	615.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	471.76	-	-	471.76		471.76	-	471.76
	471.76	**615.79**	**-**	**1,087.55**	**-**	**1,087.55**	**-**	**1,087.55**
Financial liabilities								
Long term borrowing	175.81	-	-	175.81	-	175.81	-	175.81
Other financial liabilities-non-current	34.66	**-**	**-**	34.66	**-**	34.66	**-**	34.66
	210.47	**-**	**-**	**210.47**	**-**	**210.47**	**-**	**210.47**

The management assessed that cash and cash equivalents, other bank balances, loans, trade receivables, trade payables, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

* The management assessed that carrying value approximates to the fair value

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Level 1 - Valuation technique and significant observable inputs for assets and liabilities

Current Investment represents investment in mutual funds. The fair value of investment is derived based on the fund statement provided by the fund manager.

Reconciliation of Level 1 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 1 fair values.

(₹ in Million)

Paticulars	FY 2020-21	FY 2019-20
Opening Balance on April 1,	**-**	**-**
Net change in fair value (unrealised)	**-**	**-**
Purchases	152.49	550.50
Sales	(152.49)	(550.50)
Closing Balance on March 31,	**-**	**-**

Notes to the Financial Statements

for the year ended 31st March, 2021

Level 2 - Valuation technique and significant observable inputs for assets and liabilities

Long term borrowings represents loan taken from bank. The fair value of borrowing is derived based on market observable interest rate.

The fair values of the unquoted non current investment have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows and discount rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The Finance team recommends risk management objectives and policies. The activities of this operations include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of following financial assets represents the maximum credit exposure.

Financial Instruments and Cash Deposits

The credit risk from balances/deposits with Banks, current investments and other financial assets are managed in accordance with company's policy. Investment of surplus funds are primarily made in Liquid/Short Term Plan of Mutual Funds and in Bank Deposits which carry a high external rating.

Trade receivables

Trade receivables of the company are typically unsecured. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which company grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

The maximum exposure to credit risk for trade receivables by geographic region was as follows: (₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Domestic	153.00	52.00
Other regions	241.00	138.00
	394.00	**190.00**

Notes to the Financial Statements

for the year ended 31st March, 2021

Impairment

The ageing of trade and other receivables that were not impaired was as follows. (₹ in Million)

	As at March 31, 2021		As at March 31, 2020	
Particulars	**Upto 0-180 days**	**More than 180 days**	**Upto 0-180 days**	**More than 180 days**
Gross	312.34	154.47	165.94	78.42
Less: Provision	(22.73)	(50.13)	(11.75)	(42.28)
Net	**289.62**	**104.34**	**154.18**	**36.13**

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for Trade receivables as at March 31, 2021 and March 31, 2020.

iii. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in Million)

Particulars	**Less than 1 year**	**more than 1 year**
Year ended March 31, 2021		
Interest bearing borrowings	87.90	110.41
Trade payables	77.06	-
Other financial liabilities	243.84	42.84
	408.80	**153.25**
Year ended March 31, 2020		
Interest bearing borrowings	87.90	175.81
Trade payables	76.20	-
Other financial liabilities	158.70	34.66
	322.80	**210.47**

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings, deposits.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD, AED, SAR, EURO, OMR. The Company has foreign currency trade payables and receivables and is, therefore, exposed to foreign exchange risk. The Company does not use any derivative instruments to hedge its risks associated with foreign currency fluctuations.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, AED, SAR, EURO and OMR rates to the functional currency of the Company, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Notes to the Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

	Change in USD rate	Effect on profit before tax
March 31, 2021	+5%	13.81
	-5%	(13.81)
March 31, 2020	+5%	11.21
	-5%	(11.21)
	Change in AED rate	**Effect on profit before tax**
March 31, 2021	+5%	3.69
	-5%	(3.69)
March 31, 2020	+5%	0.01
	-5%	(0.01)
	Change in SAR rate	**Effect on profit before tax**
March 31, 2021	+5%	0.37
	-5%	(0.37)
March 31, 2020	+5%	0.47
	-5%	(0.47)
	Change in EURO rate	**Effect on profit before tax**
March 31, 2021	+5%	0.98
	-5%	(0.98)
March 31, 2020	+5%	-
	-5%	-
	Change in OMR rate	**Effect on profit before tax**
March 31, 2020	+5%	0.15
	-5%	(0.15)
March 31, 2019	+5%	-
	-5%	-

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 market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed plus variable rate borrowings.

Notes to the Financial Statements

for the year ended 31st March, 2021

Note 34 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest-bearing loans and borrowings (Note 12)	205.89	263.78
Less: cash and cash equivalent (Note 7)	(1,099.35)	(734.14)
Net debt	**(893.46)**	**(470.36)**
Equity share capital (Note 10)	1,331.05	664.72
Other equity (Note 11)	25,240.37	25,302.84
Total capital	**26,571.42**	**25,967.56**
Capital and net debt	**25,677.96**	**25,497.20**
Gearing ratio	**-**	**-**

Note 35 : Dues to micro, small and medium suppliers

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act') accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 and March 31, 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance-sheet date.

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	0.18	2.30
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyod the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	

On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro, small and medium enterprises, which have been registered with the relevant competent authorities. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Company for this purpose.

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 36 : Demerger of undertakings

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated November 27, 2020, sanctioned the Composite Scheme of Arrangement amongst Infibeam Avenues Limited ('Infibeam'), Suvidhaa Infoserve Limited ('Suvidhaa'), DRC Systems India Limited ('DRC') and NSI Infinium Global Limited ('NSI') and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('Scheme') leading to Transfer and vesting of the SME E-Commerce Services Undertaking from Infibeam to Suvidhaa and Themepark & Event Software Undertaking from Infibeam to DRC. The Scheme became effective upon filing of certified copy of the order with the Registrar of Companies (RoC) on December 2, 2020. The Appointed Date for the Composite Scheme of Arrangement was April 1, 2020 and the Record Date was set as December 11, 2020 for the purpose of determining the shareholders for issuance of Equity Shares.

Demerger of Themepark & Event Software Undertaking :

In accordance with the provisions of the aforesaid scheme, upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Themepark & Event Software Undertaking into DRC pursuant to the provisions of this Scheme, DRC has, without any further act or deed, issued and allotted to each shareholder of Infibeam, whose name is recorded in the register of members and records of the depositories as members of Infibeam, on the Record Date in the following ratio:

1 (One) equity share of ₹ 10/- (Rupees Ten Only) each of DRC credited as fully paid-up for every 412 (Four Hundred Twelve) equity shares of Re. 1/- (Rupee One Only) each held by such shareholder in Infibeam.

Demarger of SME E-commerce Services Undertaking:

In accordance with the provisions of the aforesaid scheme, upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the SME E-commerce Services Undertaking into Suvidhaa pursuant to the provisions of this Scheme, Suvidhaa has, without any further act or deed, issued and allotted to each shareholder of Infibeam, whose name is recorded in the register of members and records of the depositories as members of Infibeam, on the Record Date in the following ratio:

197 (One Hundred Ninety-Seven) equity shares of Re. 1 /- (Rupee One Only) each of Suvidhaa credited as fully paid-up for every 1,500 (One Thousand Five Hundred) equity shares of Re. 1/- (Rupee One Only) each held by such shareholder in Infibeam.

The shares have been allotted during the year post approval of scheme and the amount of distribution of net assets of the demerged undertakings have been adjusted against General Reserve and Retained Earnings under Other equity.

In accordance with the scheme, the demerger of undertakings has been accounted as prescribed by Ind AS 103 "Business Combinations".

Accordingly, the accounting treatment has been given as under: -

All the assets and liabilities of demerged undertakings as at 1 April 2020 have been transferred at their book values from the financial statements of the Company and the net assets value have been adjusted against General Reserves and Retained earnings under Other Equity.

Further, the SME E-Commerce Services Undertaking and Themepark & Event Software Undertaking have been disclosed as discontinued operations and financial results of previous year presented have been restated accordingly, to disclose the results of demerged undertakings separately from the Company's continuing business operations.

Notes to the Financial Statements
for the year ended 31st March, 2021

Statement of Profit and Loss of demerged undertakings:

(₹ in Million)

Particulars	Themepark & Event Software Undertaking	SME E-commerce Services Undertaking	Total
Income			
Revenue from operations	13.41	31.68	45.09
Total income (I)	**13.41**	**31.68**	**45.09**
Expenses			
Employee benefits expenses	7.41	6.41	13.82
Depreciation and amortization expenses	27.85	9.79	37.63
Other expenses	2.01	4.75	6.76
Total expenses (II)	**37.27**	**20.95**	**58.21**
Profit / (Loss) before tax	**(23.85)**	**10.73**	**(13.12)**
Tax expenses	(8.34)	3.75	(4.59)
Profit / (Loss) after tax	**(15.52)**	**6.98**	**(8.54)**

Assets and liabilities transferred

The book values of the assets and liabilities of demerged undertakings transferred at the appointed date (April 01 , 2020) were as follows:

(₹ in Million)

Particulars	Themepark & Event Software Undertaking	SME E-commerce Services Undertaking	Total
Assets:			
Property, Plant and Equipment	0.12	0.07	0.18
Other intangible assets	50.87	4.49	55.36
Investments (held for sale)	-	302.72	302.72
Trade receivables	1.06	1.53	2.59
Cash and cash equivalents	3.99	40.80	44.79
	56.04	**349.60**	**405.65**
Liabilities:			
Other financial Liabilites	0.60	0.53	1.14
Other current Liabilities	18.32	0.31	18.63
	18.93	**0.84**	**19.77**
Net Assets Transferred	**37.12**	**348.76**	**385.88**
Net Assets Transferred as on April 01, 2020 adjusted against following in previous year :			
General Reserve (Note 11)			107.31
Retained Earnings (Note 11)			278.56
		Total	**385.88**

Notes to the Financial Statements
for the year ended 31st March, 2021

Note 37 : Nodal balance

The Company maintains nodal account with ICICI Bank, HDFC Bank and Kotak Mahindra Bank. The nodal accounts are operated as per RBI guidelines pertaining to settlement of payment for electronic payment transactions for payment gateway business. The balance in the nodal accounts represents money collected from customers on transaction undertaken and is used for settling of dues to various merchants as per RBI guidelines.

Receivable for settlement of transactions:

The balance in receivable for settlement of transaction represents the amount pending to be received from pooling bank account and payment gateway for successful online transaction completed by the customer of the merchant into the nodal accounts. These amounts once collected in Nodal account will be utilized for payment to the merchants.

Payable for settlement of transactions:

The balance in payable for settlement of transaction represents the amount pending to be paid to merchant for successful online transaction completed by the customer of the merchant. The amount for the nodal accounts are transferred to the merchant designated bank account as per RBI guidelines, after deducting applicable charges.

38 The Company's transactions with associated enterprises are at arm's length. Management believes that company's domestic transactions with associated enterprises post March 31, 2021 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for the taxation at the period end.

39 During the year ended March 2020, the Company has received Government grant amounting to ₹ 95.85 million against purchase of qualifying assets (Office Building and Data Centre related infrastructure). The same have been deducted from the carrying amount of the qualified assets. Accordingly, depreciation expense on qualified assets has been less charged to the statement of profit and loss by ₹ 24.45 Million (Previous year: ₹ 9.67 million).

40 Disclosure pursuant to Ind AS 115 "Revenue from contract with customers":

a) Disaggregation of revenue

The table below presents disaggregated revenue from contract with customers for the year ended March 31, 2021 and March 31, 2020 by offerings.

i) Revenue by offerings

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Digital Payments and Checkout Web Services	4,822.27	5,085.15
E-Commerce Related Web Services	944.75	733.34
Total	**5,767.02**	**5,818.49**

Digital Payments and Checkout Web Services

It comprises revenue from providing complete, simple and secure online payment gateway and checkout web services, with a real-time Credit Card, Debit Card, Net Banking, Digital and Mobile Wallet including UPI Payments, Cash Card and Mobile Payment transaction validation process and platforms. This enables eCommerce websites to sell products and services online, and accept payments in real time.

E-Commerce Related Web Services

These primarily include a comprehensive suite of E-Commerce related web services comprising of domain registry, technical analysis and testing of software web services, digital advertising, and infrastructure related services.

ii) Refer note 30 for disaggregation of revenue by geographical segments

iii) The Company believes that this disaggregation best depicts how the nature, amount, timing of its revenues and cash flows are affected by industry, market and other economic factors.

Notes to the Financial Statements

for the year ended 31st March, 2021

b) Transaction price allocated to remaining performance obligation

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2021 is ₹ 0.54 million (March 31, 2020 is ₹ 48.96 million) which is expected to be recognize as revenue within the next one year. Remaining performance obligation estimates are subject to change and are affected by several factors, including changes in the scope of contracts, periodic revalidations, and adjustments for currency.

c) Changes in contract assets are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	524.02	178.33
Revenue recognised during the year	535.53	483.35
Invoices raised during the year	(370.42)	(137.66)
Translation exchange difference	-	-
Balance at the end of the year	**689.13**	**524.02**

d) Changes in unearned and deferred revenue are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	55.71	227.17
Revenue recognised that was included in the excess billing over revenue at the beginning of the year	(54.01)	(177.23)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	8.55	5.77
Translation exchange difference	-	-
Balance at the end of the year	**10.25**	**55.71**

41 World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Company. On account of this, the Company has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment testing of goodwill and intangible assets having indefinite useful life, using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and nonfinancial assets. The Company will continue to closely monitor any material changes to future economic conditions.

42 Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of the current year.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Independent Auditor's Report

To the Members of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)*

Report on the Audit of the Consolidated IND AS financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

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

Sr No	Key Audit Matter	Auditors Response
1.	**Goodwill Impairment testing and Impact of COVID-19 thereon**	**Principal Audit Procedures**
	Included on the balance sheet of parent company is an intangible assets balance of ₹ 18687.80 Million as on March 31, 2021 which includes goodwill of ₹ 16124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ₹ 2489.61 million are classified as other Intangible assets. On account of prevalent financial, economic and health crises caused due to global pandemic – COVID-19, having impact on the assumptions used for the continuity of operations and thus having further impact on the assessment of impairment of goodwill.	Focusing on group's business, we understood, evaluated and validated management's key controls over the impairment assessment process. The group had obtained a valuation report from external independent valuer. On observing the same, following audit procedures were adopted: • Evaluating the methodical and mathematical accuracy of the model used for the impairment testing, the appropriateness of the assumptions, and the methodology used to prepare its cash flow forecasts. • gaining an understanding and assessing the reasonableness of business plans by comparing them to prior year's assumptions;

The group has prepared cash flow projections and believes it has sufficient liquidity based on the available liquid cash and the expected cash to be generated from operations to meet its financial obligations as they fall due for the following twelve months.

The group is required to perform impairment assessments of goodwill annually. For intangible assets with useful lives, the group is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives.

For the purpose of performing impairment assessments, all intangible assets including goodwill have been allocated to groups of cash generating units ("CGUs"). The recoverable amount of the underlying CGUs is supported by value-in-use calculations which are based on future discounted cash flows. Management concluded that the intangible assets including goodwill were not impaired as of March 31, 2021.

The above assessment factoring impact of COVID-19 on continuity of its operations and thereupon on annual impairment of goodwill is considered as significant accounting judgement and estimate to the consolidated Ind - AS financial statements) and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the consolidated financial statements as a whole.

- comparing the current years actual results included in the model to consider whether forecasts including assumptions that, with hindsight, have been appropriate.
- discussing the potential changes in key drivers as compared to previous year / actual performance with management and considering impact of COVID-19 in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.
- recalculating the value in use calculations
- challenging the robustness of the key assumptions used to determine the value in use, including the allocation of goodwill to the adequate CGUs, cash flow forecasts, long-term growth rates and the discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible;

We also considered the appropriateness of disclosures in the consolidated IND AS financial statements and conclude that our audit procedures did not lead to any reservations regarding the goodwill impairment test.

Information Other than the Consolidated IND AS financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS 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.

Management's Responsibility for the Consolidated IND AS financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated IND AS financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 Group and its associates of which we are the independent auditors, to express an opinion on the consolidated Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 Ind AS financial statements for the financial year ended March 31, 2021 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.

Other Matter

We did not audit, the financial statements of ten subsidiaries whose financial statements reflects total assets of ₹ 2,766.19 Millions as at March 31, 2021, total revenue of ₹ 1310.16 Millions and net cash flow of ₹ 495.33 Millions for the year ended on that date. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 86.15 Millions for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of 3 associates. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter.

Certain of these subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated IND AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associates, none of the directors of the Group's companies, its associates incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, and associates incorporated in India, refer to our separate Report in "Annexure A" to this report.

g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

a. The consolidated IND AS financial statements disclose impact of pending litigations on the consolidated IND AS financial position of the Group and its associates in its consolidated Ind AS financial statements – Refer Note 25 to the consolidated Ind AS financial statements;

b. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2021.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN: 21103840AAAALQ6987

Date : May 27, 2021
Place : Gandhinagar

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Infibeam Avenues Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and associates, which are companies incorporated in India, as of that date

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and associates, 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. 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 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 over financial reporting with reference to these consolidated Ind AS financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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 over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Ind AS financial statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements 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 these consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 Holding Company, its subsidiary companies and associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2021, 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.

Other Matters

Our 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 these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these 10 subsidiary companies and 3 associates, which are companies incorporated in India as well as outside India, is based on the corresponding reports of the auditors of such subsidiary and associates incorporated in India.

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No.: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN: 21103840AAAALQ6987

Date : May 27, 2021
Place : Gandhinagar

Consolidated Balance Sheet
as at March 31, 2021

(₹ in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
Property, plant and equipment	5	2,319.87	2,417.35
Goodwill	6	16,198.19	16,126.23
Capital work-in-progress	5	0.00	0.00
Other intangible assets	6	2,489.61	2,715.75
Intangible assets under development	6	158.42	-
Financial assets	7		
(i) Investments		4,566.91	3,920.97
(ii) Loans		-	-
(ii) Other financial assets		84.57	471.76
Deferred tax assets (net)	22	0.42	5.15
Other non-current assets	8	582.05	340.24
Income tax assets (net)	9	270.92	205.76
Total non-current assets		**26,670.95**	**26,203.21**
II. Current assets			
Financial assets	7		
(i) Trade receivables		729.09	533.50
(ii) Cash and cash equivalents		1,774.14	863.55
(iii) Bank balance other than (ii) above		7.47	125.13
(iv) Loans		15.60	16.60
(v) Others financial assets		1,669.60	742.90
Other current assets	8	4,629.54	2,249.48
Total current assets		**8,825.44**	**4,531.15**
Assets classified as held for sale	7	**-**	**566.87**
Total Assets		**35,496.39**	**31,301.23**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	1,331.05	664.72
Other equity	11	27,550.85	27,368.63
Equity attributable to equity holders of the parent		**28,881.90**	**28,033.35**
Non-controlling interests		(2.82)	(17.83)
Total equity		**28,879.08**	**28,015.52**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities	12		
(i) Borrowings		110.41	175.81
(ii) Other financial liabilities		42.84	34.66
Provisions	13	49.51	44.27
Deferred tax liabilities (net)	22	328.12	294.97
		-	-
Total non-current liabilities		**530.87**	**549.70**
II.Current liabilities			
Financial liabilities	12		
(i) Borrowings		87.90	87.90
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		2.67	3.48
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		212.81	295.99
(iii) Other financial liabilities		559.77	250.79
Other current liabilities	14	5,161.32	2,035.88
Provisions	13	13.91	12.33
Income tax liabilities (net)	9	48.05	49.64
Total current liabilities		**6,086.44**	**2,736.01**
Total equity and liabilities		**35,496.39**	**31,301.23**
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these consolidated financial statements.
As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Consolidated statement of profit and loss
for the year ended March 31, 2021

(₹ in Million)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	15	6,760.35	6,327.16
Other income	16	100.19	116.65
Total income (I)		**6,860.54**	**6,443.81**
Expenses			
Operating expenses		4,427.26	3,963.80
Employee benefits expenses	17	615.29	532.29
Finance costs	18	36.56	42.42
Depreciation and amortization expense	19	750.56	873.31
Other expenses	20	299.34	319.45
Total expenses (II)		**6,129.01**	**5,731.27**
Profit before exceptional items, share of profit / (loss) of an associate and tax (III) - (I - II)		**731.53**	**712.54**
Exceptional items (IV)	20	-	82.76
Profit after exceptional items but before share of profit / (loss) of associates and tax (V) - (III + IV)		**731.53**	**795.30**
Add : Share in net profit / (loss) of associates (VI)		86.15	527.76
Profit before tax (VII) = (V + VI)		**817.68**	**1,323.06**
Income Tax expenses	22		
Current tax		76.98	119.46
Deferred tax (net)		38.22	96.81
Total tax expense (VIII)		**115.20**	**216.27**
Profit from continuing operations after tax (IX) = (VII - VIII)		**702.48**	**1,106.79**
Profit / (loss) from discontinued operations before tax		-	(12.49)
Share in net profit/(loss) of associate from discontinued operations		-	(17.86)
Tax expense of discontinued operations		-	(4.06)
Profit / (loss) from discontinued operations after tax (X) (Refer Note 35)		**-**	**(26.28)**
Profit /(loss) for the year from continuing and discontinued operations (XI) = (IX + X)		**702.48**	**1,080.51**
OTHER COMPREHENSIVE INCOME			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		2.95	(0.73)
Income tax effect		(0.71)	-
Gains and Losses from Investments in Equity Instruments		(2.26)	-
Income tax effect		-	
B. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Total other comprehensive income for the year, net of tax (X)		(0.02)	(0.73)
Total comprehensive income for the year, net of tax (IX+X)		**702.46**	**1,079.78**
Profit for the year attributable to:			
Equity holders of the parent		723.34	1,079.92
Non-controlling interest		(20.86)	0.58
		702.48	**1,106.79**
Total comprehensive income attributable to:			
Equity holders of the parent		723.26	1,078.94
Non-controlling interest		(20.80)	0.84
		702.46	**1,079.78**
Earning per equity share [nominal value per share Re.1/- (March 31, 2020: Re.1/-)]	28		
For continuing operations			
Basic		0.53	0.84
Diluted		0.52	0.83
For discontinued operations			
Basic		-	(0.02)
Diluted		-	(0.02)
Summary of significant accounting policies	1-4		

The accompanying notes are an integral part of these Consolidated Financial Statements.
As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Statement of changes in Equity

for the year ended March 31, 2021

A. Equity share capital

(₹ in Million)

Balance	₹ in Million
	Note 11
As at March 31, 2019	**663.39**
Issue of Equity Share capital	1.33
As at March 31, 2020	**664.72**
Issue of Equity Share capital	666.33
As at March 31, 2021	**1,331.05**

B. Other equity

(₹ in Million)

Particulars	Attributable to the equity holders of the parent										
	Capital reserve	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Foreign currency monetary item translation reserve	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Non-Controlling Interest	Total other equity
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		
Balance as at April 1, 2019	**-**	**239.20**	**25,054.39**	**105.22**	**1,633.30**	**(23.04)**	**(396.06)**	**0.00**	**100.00**	**(6.72)**	**26,713.01**
Profit for the year					1,079.92					0.58	1,079.92
Other comprehensive income for the year					(0.99)					0.25	(0.99)
Employee compensation expense for the year		52.16									52.16
Transfer to securities premium on exercise of options		(82.33)	82.33								-
Dividend Paid including taxes					(79.45)						(79.45)
On lapse of stock options		(2.10)		2.10		20.88					20.88
Foreign currency translation and adjustments to non-controlling Interest	-	-	-	-	-	-	-	-	-	(0.20)	-
Distribution of net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note 35)				(107.31)	(308.90)					(11.75)	(416.21)
Transfer on forfeiture of equity share warrants	100.00								(100.00)		-
IND AS 116 "Leases" transition impact					(0.70)						(0.70)
Balance as at March 31, 2020	**100.00**	**206.93**	**25,136.73**	**0.00**	**2,323.20**	**(2.17)**	**(396.06)**	**0.00**	**-**	**(17.83)**	**27,368.63**
Balance as at April 1, 2020	**100.00**	**206.93**	**25,136.73**	**0.00**	**2,323.20**	**(2.17)**	**(396.06)**	**0.00**	**-**	**(17.83)**	**27,368.63**

Statement of changes in Equity (Continued)
for the year ended March 31, 2021

(₹ in Million)

Particulars	Attributable to the equity holders of the parent										
	Capital reserve	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Foreign currency monetary item translation reserve	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Non-Controlling Interest	Total other equity
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		
Profit for the year					723.34					(20.86)	723.34
Other comprehensive income for the year					(0.08)					0.06	(0.08)
Employee compensation expense for the year		106.93									106.93
Transfer to securities premium on exercise of options		(32.62)	32.62								-
On acquisition of New subsidiaries										35.81	-
On lapse of stock options		(0.15)		0.15							-
On issue of bonus shares			(665.53)								
Adjustment on account of Foreign currency translation						17.56					17.56
Balance as at March 31, 2021	**100.00**	**281.08**	**24,503.82**	**0.15**	**3,046.45**	**15.39**	**(396.06)**	**0.00**	**-**	**(2.82)**	**27,550.85**

* Represents amount less than one million

Securities Premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

The accompanying notes are an integral part of these Consolidated Financial Statements.
As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Statement of cash flows
as at March 31, 2021

(₹ in Million)

	Particulars	March 31, 2021		March 31, 2020	
A	**Cash Flow from operating activities:**				
	Profit Before taxation		**731.53**		**782.81**
	Adjustments to reconcile profit before tax to net cash flows:				
	Depreciation and amortization expenses	750.56		873.31	
	ESOP expense (net)	24.31		51.38	
	Finance cost	36.56		43.48	
	Allowance for doubtful debts	3.23		26.56	
	Balance written off	14.10		4.16	
	IND AS impact on fair value of investment	-		(82.76)	
	Unrealized foreign currency loss / (gain)	3.85		(17.40)	
	Liabilities / allowance written back	(16.31)		(20.04)	
	Interest income	(66.64)		(70.51)	
	Short term capital gain on sale of mutual fund	(0.29)		(1.46)	
	Loss on sale of fixed assets	-		0.27	
			749.36		**806.99**
	Operating Profit before Working Capital Changes		**1,480.89**		**1,589.80**
	Adjustments for:				
	Increase / (decrease) in trade payables	(89.15)		129.14	
	(Increase) in trade receivables	(188.91)		(337.37)	
	(Increase) / decrease in other assets	(2,907.23)		187.62	
	Increase /(decrease) in provisions and other liabilities	3,383.66		(1,163.45)	
	Net Changes in Working Capital		198.37		(1,184.06)
	Cash Generated from Operations		**1,679.26**		**405.74**
	Direct Taxes paid (Net of Income Tax refund)		(129.81)		(181.78)
	Net Cash flow from Operating Activities - (A)		**1,549.45**		**223.95**
B	**Cash Flow from Investing Activities**				
	Payment for acquisition of property, plant and equipment and intangible assets (including capital work-in-progress, intangible under development and capital advances)	(825.10)		(552.61)	
	Proceeds from sale of property, plant and equipment and intangible assets	-		143.17	
	Government grant received	-		95.85	
	Repayment of Loans and advances by others	-		(11.05)	
	Purchase of mutual fund	(152.49)		(550.50)	
	Proceeds from sale of mutual fund	152.79		551.96	
	Interest received	66.77		70.73	
	Fixed deposits with bank (net)	117.65		(114.27)	
	Net cash (used in) Investing Activities - (B)		**(640.39)**		**(366.72)**

Statement of cash flows (Continued)
as at March 31, 2021

Particulars		March 31, 2021		March 31, 2020	
C	**Cash Flow from Financing Activities**				
	Dividend Paid	(0.00)		(65.28)	
	Dividend Distribution Tax Paid	-		(14.06)	
	Proceeds from exercise of ESOP	0.81		1.33	
	Proceeds / Repayment of borrowings (net)	(65.40)		(139.30)	
	Interest paid	(29.05)		(43.51)	
	Net Cash (used in) Financing Activities - (C)		**(93.64)**		**(260.82)**
	Net Increase/(Decrease) in cash & cash equivalents (A+B+C)		**815.41**		**(403.58)**
	Cash & Cash equivalent at the beginning of the year		863.55		1,317.18
	Add : Cash & Cash equivalent acquired on acquisition of subsidiaries		95.18		-
	Less : Cash & Cash equivalent of Demerged undertakings/ subsidiaries pursuant to Scheme of Arrangement (Refer note 35)		-		(50.05)
	Cash & Cash equivalent at the end of the year		**1,774.14**		**863.55**

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (IND AS) - 7 "Statement of Cash Flows" issued by the Institute of Chartered Accountants of India.

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash and cash equivalents comprise of: (Note 5)		
Cash and cash equivalents comprises of		
Balances with banks:		
- Current accounts	**1,025.67**	**650.02**
- Balance with bank in Nodal Accounts	**747.96**	**212.58**
Cash on hand	**0.36**	**0.96**
Fixed deposit Having Maturity Less Than Three month	**0.15**	**-**
Cash and cash equivalents	**1,774.14**	**863.55**

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

1. Corporate Information

Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) ("the Company") was incorporated on 30 June 2010 under the Companies Act, 1956. The Group [along with its subsidiaries and associate, collectively referred to as (the "Group")] is primarily engaged in business software of development services, maintenance, web development, payment gateway services, e-commerce and other ancillary services.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at 28th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar – 382 355.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2021.

2.1 Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in Indian Rupee (₹) which is also the Group's functional currency and all values are rounded to the nearest millions, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and associate as at 31 March 2021.

Subsidiaries: Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Equity accounted investees: The Group's interests in equity accounted investees comprise interests in associate. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

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 Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of each of the subsidiaries and associate used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

The consolidated financial statements comprise the financial statements of the Company, and its subsidiaries and associate as disclosed below.

Name of the company	Country of incorporation	% of shareholding	
		As at 31 March 2021	As at 31 March 2020
Subsidiaries:			
Infibeam Digital Entertainment Private Limited	India	74.00%	74.00%
Odigma Consultancy Solutions Private Limited	India	100.00%	100.00%
Infibeam Logistics Private Limited	India	100.00%	100.00%
Avenues Infinite Private Limited	India	100.00%	100.00%
DRC Systems India Limited	India	-	51.00%
Vavian International Limited	U.A.E	100.00%	100.00%
Avenues World FZ LLC	U.A.E	100.00%	100.00%
AI Fintech Inc (From June 09, 2020)	U.S.A.	100.00%	-
Instant Global Paytech Private Limited (From May 06, 2020)	India	52.38%	-
Cardpay Technologies Private Limited (From June 05, 2020)	India	52.38%	
So Hum Bharat Digital Payments Private Limited (From February 20, 2021)	India	50.50%	-
Associate:			
Avenues Payments India Private Limited	India	22.69%	22.69%
Instant Global Paytech Private Limited	India	-	48.00%
NSI Infinium Global Limited	India	-	93.59%
Sine Qua Non Solutions Private Limited	India	-	93.59%
Infibeam Global EMEA FZ LLC	U.A.E	49.00%	49.00%
Rich Relevants Limited	U.A.E	49.00%	49.00%
DRC Systems India Limited	India	29.69%	-

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Business combinations (other than common control business combinations) on or after 1 April 2015

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after the date of transition to Ind AS i.e. 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see Note 4.7). Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity.

Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations prior to 1 April 2015

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Previous GAAP adjusted for the reclassification of certain intangibles.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

3. Critical accounting estimates

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

3.1 Estimate and assumption

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

3.2 Defined benefit plans

The cost of the defined benefit plans and the present value of the 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. Discount rate has been determined by reference to market yields on the government bonds as at the balance sheet date. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Further details about defined benefit obligations are provided in Note 28.

3.3 Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using a black schole model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be measured at the time of grant.

The Group has also approved the grant of Employee Stock Appreciation Rights (SARs) to the eligible employees of the Group. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

3.4 Taxes

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

3.5 Intangible asset including intangible asset under development

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, future economic benefits are probable. The costs which can be capitalized include the salary and ESOP cost of employees that are directly attributable to development of the asset for its intended use. Research and maintenance costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer Note 4.5 for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in Note 6.

3.6 Property, plant and equipment

Refer Note 4.4 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

3.7 Revenue recognition

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services.

3.8 Investments

Investment in associate is carried at cost in the consolidated financial statements.

3.9 Estimation of uncertainties relating to the global health pandemic from COVID-19

In assessing the recoverability of assets including trade receivables, unbilled receivables and investments, the Company has considered internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated on the date of approval of these financial statements.

4. Summary of Significant accounting policies

The following are the significant accounting policies applied by the Group in preparing Consolidated financial statement:

4.1 Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

4.2 Business combinations and goodwill

Business combinations are accounted for using the acquisition method prescribed under accounting standard. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

4.3 Foreign currencies

The Group's financial statements are presented in Indian rupees. The functional currency of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited), Odigma Consultancy Solutions Private Limited, Infibeam Logistic Private Limited, DRC Systems India Limited (formerly known as DRC Systems India Private Limited), Infibeam Digital Entertainment Private Limited and Avenues Infinite Private Limited is the Indian Rupee. The functional currency of Vavian

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

International Limited and Avenues World FZ LLC is UAE Dirham.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

The translations of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using exchange rate in the effect at the balance sheet and for revenue, expense and cash-flow items using average exchange rate for respective periods. The gains or losses resulting from such translations are included in currency translation reserve under other component of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

4.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 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 by the Group.

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 takes into account 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are 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, as described below, 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 Group 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 Group 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.

- Significant accounting judgements, estimates and assumptions

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

4.4 Property, plant and equipment

The Group has elected to continue with the carrying value for all of its property, plant and equipment's assets as recognised in its previous GAAP financial as deemed cost at the transition date, i.e., 1 April 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All repair and maintenance costs are recognised in statement of profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation is calculated on written down value based on useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, which represents the estimated useful lives of the assets. Assets individually costing less than ₹ 5,000 are fully written off in the year of acquisition. Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

- Building – 60 years
- Leasehold Improvements - 10 years
- Plant and equipment - 5 to 10 years
- Furniture & Fixtures - 10 years
- Vehicles - 8 years
- Computer & Peripherals - 3 to 6 years

The Group, depreciates certain items of building, plant and equipment over useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, which represents the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.5 Intangible Assets

The Group has elected to continue with the carrying value for all of its intangible assets as recognised in its previous GAAP financial as deemed cost at the transition date, i.e., 1 April 2015.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Cost include acquisition and other incidental cost related to acquiring the intangible asset.

Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, future economic benefits are probable. The costs which can be capitalized include the salary and ESOP cost of employees that are directly attributable to development of the asset for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Period of Amortisation of Intangibles is calculated as follows:

- Computer software acquired on Amalgamation – 6 years
- Computer software acquired – 10 years (w.e.f. April 01, 2020)
- Trademark acquired on Amalgamation - 25 years (w.e.f. April 01, 2020)
- IT Platform acquired on Amalgamation - 5 years (w.e.f. April 01, 2020)
- Customer Relationship acquired on Amalgamation - 25 years (w.e.f. April 01, 2020)
- Internally generated Computer Software - 5 years (w.e.f. April 01, 2020)

Intangible assets under development

Expenditure incurred on acquisition /construction of intangible assets which are not ready for their intended use at balance sheet date are disclosed under Intangible assets under development. During the period of development, the asset is tested for impairment annually.

4.6 Leases

Group as a lessee

The Group's lease asset classes primarily comprise of lease for building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Group's lease liabilities are included in other current and non-current financial liabilities.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

4.7 Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to expense item is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets (i.e. those whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets), including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset, in which case the grant is recognised in profit or loss as a reduction of depreciation expense.

4.8 Non-current assets held for sale and discontinued operations

Non-current assets and Disposal Group are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non-current asset or the Disposal Group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non-current assets and Disposal Group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset and Disposal Group was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when the Disposal Group no longer meets the "Held for sale" criteria.

A discontinued operation is a component of the undertaking and entity that has been disposed off or is classified as held for sale and

- represents a separate line of business or graphical area of operations and;
- is a part of a single coordinated plan to dispose off such a line of business or area of operations.

The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

4.9 Impairment of non-financial assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generated unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

4.10 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4.11 Revenue Recognition

Sale of products

Revenue from sale of products is recognised when the risks and rewards of ownership are transferred to customers, which generally coincides with delivery to the customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services.

Revenue from payment gateway services is recognised on settlement of transactions measured by value of transactions processed as per the rates and terms agreed between parties.

Revenue from Web Services is recognised upfront at the point in time when the service is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises, these service is recognised proportionally over the period.

Registry Services revenues primarily arise from fixed fees charged to registrars for the initial registration or renewal of .ooo domain names. Revenues from the initial registration or renewal of domain names are deferred and recognized rateably over the registration term, generally one year and up to ten years. Fees for renewals and advance extensions to the existing term are deferred until the new incremental period commences. These fees are then recognized rateably over the renewal term.

Revenue is measured based on the consideration specified in a contract with the customer and excludes amounts collected on behalf of customers. The Group presents revenue net of discounts and collection charges. Revenue also excludes taxes collected from customers.

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

Excess billing over revenue (“contract liability”) is recognised when there is billing in excess of revenues.

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

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by offering and geography.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date as per contract.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its nature.

Export incentives

Export incentives are accounted on accrual basis based on services rendered.

4.12 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at fair value through statement of profit and loss (FVTPL)

- **Debt instruments at amortised cost**:

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

- the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

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

A debt instrument is measured at fair value through other comprehensive income if both of the following criteria are met:

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Debt instruments at fair value through profit or 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.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

- **Equity instruments:**

  All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group 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 P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Investment in associates:**

  Investment in associates is carried at cost in the consolidated financial statements.

(iii) De-recognition of financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(iv) Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings**

  After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

(iii) De-recognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.13 Inventories

Inventories comprise stock-in-trade, are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs (net of refundable taxes and levies) incurred in bringing the inventories to their present location and condition. In determining the cost, specific identification method is used.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realisable value is made on an item-by-item basis.

4.14 Cash and 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

4.15 Treasury shares

The Group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the company from the market, for giving appreciation (cash settled / equity settled) to employees. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

4.16 Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. 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.

Deferred tax

Deferred tax is provided using the liability method on 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:

- When the deferred tax liability arises from the initial recognition of goodwill or 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 taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, 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, associate and interests in joint arrangements, 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 Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income 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 entity and the same taxation authority.

The Group does not recognize tax credits in the nature of MAT credit as an asset since there is no convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the future year in which the Group recognizes tax credits as an asset, the said asset will be created by way of tax credit to the Statement of profit and loss.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. All other acquired tax benefits realised are recognised in profit or loss.

4.17 Retirement and other employee benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

b) Post-Employment Benefits

(i) Defined benefit plan

Gratuity benefit scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet reduced by the fair value of any plan assets. The discount rate used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Group has not invested in any fund for meeting liability.

4.18 Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made in accordance with SEBI regulation and Ind As 102: Share based payment.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Employee Stock Appreciation Rights (SAR)

The Group has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Group under the plan, providing share based payment to its employees. IEW trust purchases holding Company's shares out of funds provided by the Group. Accordingly, the Group has approved the grant of Employee Stock Appreciation Rights (SARs) to the eligible employees of the Group. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

The Group follows the intrinsic value method to account for its Employee Stock Appreciation Rights (SARs). Compensation cost is measured by the excess,

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

if any, of the market price of the underlying stock over the exercise price as determined under the option plan. The market price is the closing price on the stock exchange where there is highest trading volume on the working day immediately preceding the date of grant. Compensation cost, if any, is amortised over the vesting period.

4.19 Earnings per share

Basic EPS amounts are calculated by dividing the profit or loss for the year attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

4.20 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Un allocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

4.21 Dividend distribution

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.22 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Provision in respect of contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

4.23 Changes in accounting policies and disclosures

New and amended standards

Amendments to Ind AS 116: Covid-19- Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. This amendment had no impact on the standalone financial statements of the Company.

Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/ or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. This amendment had no impact on the standalone financial statements of the Company.

4.24 Standards issued but not yet effective

There are no standards that are issued but not yet effective on March 31, 2021.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 5 : Property, plant and equipment

(₹ in Million)

Particulars	Buildings	Office Equipment	Electronic Equipment	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Computer equipment	Vehicles	Right to use asset Leasehold Building	Capital Work in Progress	Total
Cost											
As at March 31, 2019	**1,645.55**	**113.84**	**29.05**	**33.04**	**48.87**	**60.53**	**169.59**	**70.56**	**-**	**217.37**	**2,388.39**
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer note i below)	-	-	-	-	-	-	-	-	60.13	-	**60.13**
Additions	154.49	0.62	7.98	-	-	1.31	858.27	9.88	-	393.04	**1,425.60**
Deductions on account of Scheme of arrangement (refer note 35)	-	-	(0.13)	-	(7.85)	(2.57)	(10.93)	-	-	-	**(21.49)**
Disposals/Adjustments (refer note ii below)	(85.85)	(101.60)	-	-	(28.70)	-	(131.31)	-	-	-	**(347.46)**
Exchange difference	-	-	-	-	-	-	0.34	-	-	-	**0.34**
Capitalized	-	-	-	-	-	-	-	-	-	(610.40)	**(610.40)**
As at March 31, 2020	**1,714.19**	**12.87**	**36.90**	**33.04**	**12.32**	**59.27**	**885.96**	**80.43**	**60.13**	**0.00**	**2,895.10**
Additions	-	0.38	1.05	6.45	-	1.39	323.16	-	32.15	(0.00)	**364.58**
Acquired on Acquisition	-	-	-	-	-	-	2.39	-	-	-	**2.39**
Exchange difference	0.00	(0.13)	-	-	(6.51)	(0.04)	1.81	(0.02)	-	-	**(4.88)**
Capitalized	-	-	-	-	-	-	-	-	-	-	**-**
As at March 31, 2021	**1,714.19**	**13.11**	**37.95**	**39.48**	**5.81**	**60.61**	**1,213.33**	**80.42**	**92.28**	**(0.00)**	**3,257.20**
Depreciation:											
As at March 31, 2019	**113.21**	**11.04**	**13.87**	**18.51**	**15.57**	**23.23**	**37.06**	**0.87**	**-**	**-**	**233.35**
Depreciation for the year	75.01	34.94	7.39	2.51	8.53	10.48	194.32	22.08	14.94	-	**370.20**
Exchange difference	-	-	-	-	-	0.02	0.04	0.01	-	-	**0.08**
Deductions on account of Scheme of arrangement (refer note 35)	-	-	(0.01)	-	(6.66)	(2.21)	(8.84)	-	-	-	**(17.71)**
Disposals/Adjustments	-	(36.04)	-	-	(11.75)	-	(60.39)	-	-	-	**(108.17)**
As at March 31, 2020	**188.23**	**9.94**	**21.25**	**21.02**	**5.70**	**31.52**	**162.20**	**22.97**	**14.94**	**-**	**477.75**
Depreciation for the year	58.68	0.42	7.71	0.30	0.03	7.72	347.74	17.89	18.54	-	**459.02**
Exchange difference	-	-	-	-	-	(0.01)	(0.03)	(0.01)	-	-	**(0.05)**
Acquired on acquisition	-	-	-	-	-	-	0.61	-	-	-	**0.61**
As at March 31, 2021	**246.91**	**10.36**	**28.95**	**21.31**	**5.73**	**39.23**	**510.52**	**40.84**	**33.48**	**-**	**937.33**
Net Block											
As at March 31, 2021	**1,467.29**	**2.75**	**9.00**	**18.17**	**0.09**	**21.38**	**702.80**	**39.58**	**58.81**	**(0.00)**	**2,319.87**
As at March 31, 2020	**1,525.97**	**2.93**	**15.65**	**12.02**	**6.62**	**27.75**	**723.76**	**57.47**	**45.19**	**0.00**	**2,417.35**

Net book value

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Property, Plant and Equipment	**2,319.87**	**2,417.35**
Capital Work-in-progress	**(0.00)**	**0.00**

i. Right to use assets - Leasehold Building represents properties taken on lease for office accounted for in accordance with principal of IND AA 116 "Leases" (refer note 34)

ii. Disposals /adjustments includes an adjustment on account of Government grant received for capital investment accounted for in accordance with principal of IND AS 20 "Accounting for Government grants and disclosure of Government Assistance" (refer note 46)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 6 : Goodwill, other Intangible assets and intangible assets under development

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (continued)

(₹ in Million)

Particulars	Computer Software	Trademark	License for platform infrastructure	Customer Relationship	IT Platform	Customer contracts	Non-compete agreement	Total	Intangible assets under development	Goodwill
Cost										
As at March 31, 2019	**1,135.12**	**597.80**	**(0.00)**	**1,565.00**	**360.10**	**0.09**	**0.58**	**3,658.69**	**107.37**	**16,144.33**
Additions	362.70	-	-	-	-	-	-	362.70	-	-
Foreign currency translation	13.09	-	-	-	-	-	-	13.09	-	-
Deductions on account of Scheme of arrangement (refer note 35)	(318.87)	-	0.00	-	-	-	-	(318.87)	-	(18.11)
Capitalized	-	-	-	-	-	-	-	-	(107.37)	-
As at March 31, 2020	**1,192.03**	**597.80**	**-**	**1,565.00**	**360.10**	**0.09**	**0.58**	**3,715.61**	**-**	**16,126.23**
Additions *	59.48	-	-	-	-	-	-	59.48	158.18	70.80
Foreign currency translation	(0.41)	-	-	-	-	-	-	(0.41)	-	-
Acquired on Acquisition	5.39	-	-	-	-	-	-	5.39	0.24	1.17
Derecognition in view of disinvestment of subsidiaries	-	-	-	(1.90)	-	(0.09)	(0.58)	(2.57)	-	-
Capitalized	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**1,256.49**	**597.80**	**-**	**1,563.10**	**360.10**	**-**	**(0.00)**	**3,777.49**	**158.42**	**16,198.19**
Amortization:										
Accumulated amortization as at March 31, 2019	**217.98**	**47.82**	**0.01**	**313.38**	**144.04**	**0.09**	**0.23**	**723.55**	**-**	**-**
Amortization	250.36	23.91	-	156.69	72.02	-	0.12	503.10	-	-
Foreign currency translation	(2.99)	-	(0.01)	-	-	-	-	(2.99)	-	-
Deductions on account of Scheme of arrangement (refer note 35)	(223.81)	-	-	-	-	-	-	(223.81)	-	-
Accumulated amortization as at March 31, 2020	**241.55**	**71.74**	**-**	**470.07**	**216.06**	**0.09**	**0.35**	**999.86**	**-**	**-**
Amortization #	197.92	21.04	-	43.77	28.81	-	-	291.54	-	-
Foreign currency translation	(2.72)	-	-	-	-	-	-	(2.72)	-	-
Acquired on Acquisition	0.78	-	-	-	-	-	-	0.78	-	-
Derecognition in view of disinvestment of subsidiaries	-	-	-	(1.14)	-	(0.09)	(0.35)	(1.58)	-	-
Accumulated amortization as at March 31, 2021	**437.54**	**92.78**	**-**	**512.70**	**244.87**	**-**	**0.00**	**1,287.88**	**-**	**-**
Net Block								-		
As at March 31, 2021	**818.95**	**505.02**	**-**	**1,050.40**	**115.23**	**-**	**(0.00)**	**2,489.61**	**158.42**	**16,198.19**
As at March 31, 2020	**950.48**	**526.06**	**-**	**1,094.93**	**144.04**	**-**	**0.23**	**2,715.75**	**-**	**16,126.23**

Net book value

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Goodwill	16,198.19	16,126.23
Intangible assets	2,489.61	2,715.75
Intangible assets under development	158.42	-

*Addition to the intangible assets under development includes ESOP cost and salary cost capitalized amounting to ₹ 75.61 million (March 31, 2020: Nil) and ₹ 5.45 million (March 31, 2020: Nil) respectively.

Intangible assets under development as at March 31, 2021 comprises expenditure for the development of computer software i.e. IT framework.

Based on the technical evaluation, the Group has revised the useful life of certain intangibles including those acquired on Amalgamation. As a result of this change in estimated useful life, the life of said intangibles assets got extended. Consequently the amortization for the year ended on March 31, 2021 has decreased by ₹ 223.52 millions.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

7. Financial assets

7 Investments (₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
NON-CURRENT INVESTMENT		
(A) INVESTMENT IN EQUITY INSTRUMENT IN ASSOCIATES STATED AT COST		
a. Investment in Associates (Unquoted)		
Avenues Payments India Private Limited		
34,791 (31 March 2020 : 34,791) equity shares	214.03	214.03
Less: Share of profit / (loss)	(45.84)	(19.69)
Instant Global Paytech Private Limited		
Nil (31 March, 2020: 14,400) equity shares	-	60.00
Less: Share of profit / (loss)	-	(22.48)
Infibeam Global EMEA FZ - LLC		
36,016 (31 March 2020 : 36,016) equity shares	675.86	675.86
Less: Share of profit / (loss)	2,392.20	2,277.01
Richrelevant Limited	-	-
Less: Share of profit / (loss)	90.87	90.46
	3,327.12	**3,275.18**
b. Investment in Associates (Quoted)		
DRC Systems India Limited		
11,47,500 (31 March 2020 : Nil) equity shares	30.60	-
Less: Share of profit / (loss)	(1.21)	-
	29.39	**-**
c. Investment in others (Unquoted)		
NSI Infinium Global Limited		
1830 (March 31, 2020 : Nil) equity shares	605.16	-
Less: Share of profit / (loss)	(38.29)	-
Less : Provision for Diminution in value of Investment	(526.12)	-
JRI Technology Private Limited (Investment)		
220,625 (31 March 2020 : 220,625) equity shares	15.79	15.79
Tradohub B2B Limited		
355,320 (31 March 2020 : 355,320) equity shares	600.00	600.00
	656.54	**615.79**
d. Investment in others (Quoted)		
Suvidhaa Infoserve Limited		
1,00,85,953 (March 31, 2020: Nil) equity shares	523.86	**-**
	523.86	**-**
(B) INVESTMENT IN PREFERENCE INSTRUMENT STATED AT COST		
Investment in Associates (Unquoted)		
Avenues Payments India Private Limited	30.00	30.00
4,876 (31 March 2020 : 4,876) preference shares		
	30.00	**30.00**
Total Non - Current Investments	**4,566.91**	**3,920.97**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
(C) ASSETS CLASSIFIED AS HELD FOR SALE		
Investment in associate held for sale (unquoted) carried at cost		
NSI Infinium Global Limited		
1830 (March 31, 2020 : 1830) equity shares	-	605.16
Less: Share of profit / (loss)	-	(38.29)
	-	**566.87**
Total Investments	**4,566.91**	**4,487.84**
Total non-current investment	**4,566.91**	**3,920.97**
Aggregate amount of unquoted investments	4,539.78	4,487.84
Impairment of investment	(526.12)	-
Carrying value of unquoted investments	**4,013.66**	**4,487.84**
Aggregate amount of quoted investments	553.26	-
Impairment of investment	-	
Carrying value of quoted investments	**553.26**	**-**
Market Value of quoted investments		
Suvidhaa Infoserve Limited		
1,00,85,953 (March 31, 2020: Nil) equity shares (market value ₹ 104.8 per share)	1,057.01	-
DRC Systems India Limited		
11,47,500 (March 31, 2020: Nil) equity shares (market value ₹ 292.65 per share)	335.82	-
Market Value of quoted investments	**1,392.82**	-

7 Loans

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Current		
Unsecured considered good		
Loans to related parties	10.02	0.01
Loans to employees	-	10.29
Loan to others *	5.58	6.30
	15.60	**16.60**
Total Loans	**15.60**	**16.60**

*The above loans are unsecured, repayable on demand, interest free and the same has been given for the purpose of business operations. (Refer note 29)

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

7 Other financial assets

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Non-current		
Unsecured, considered good		
Security deposits*	8.39	5.60
Bank deposits with original maturity of more than 12 months (including accrued interest) #	76.18	466.16
	84.57	**471.76**
Current		
Unsecured, considered good		
Security deposits	7.79	8.73
Unbilled revenue	763.89	526.65
Advance to employees (refer note 29)	11.46	1.03
Other assets	142.33	-
Bank deposits maturing within 12 months from reporting date (including accrued interest)#	740.20	202.43
Interest accrued but not due on bank deposits	3.93	4.06
Unsecured, considered doubtful		
Security deposits	1.35	1.35
Less: Allowances for doubtful security deposits	(1.35)	(1.35)
	1,669.60	**742.90**
Total other financial assets	**1,754.17**	**1,214.66**

* Pertains to deposit given to director of the Company (refer note 27)

Fixed deposits of ₹ 645.34 million (March 31, 2020: ₹ 562.12 million) are under lien against credit facilities from banks.

7 Trade receivables

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Trade receivables		
Unsecured, considered good	729.09	533.50
Unsecured, considered doubtful	75.30	54.04
	804.39	587.54
Less: Allowances for doubtful debts	(75.30)	(54.04)
Total Trade and other receivables	**729.09**	**533.50**

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days

(ii) For amount dues and terms and conditions relating to Related Party Transactions, refer note 27

(iii) For explanation on Company's credit risk management process, refer note 33

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

7 Cash and cash equivalent

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Balance with Bank		
Current accounts	1,025.67	650.02
Balance with bank in nodal accounts	747.96	212.58
Cash on hand	0.36	0.96
Fixed deposit having maturity less than three months	0.15	-
Total cash and cash equivalents	**1,774.14**	**863.55**

7 Other bank balance

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Deposits with original maturity of more than three months but less than 12 months (refer notes below)	7.17	124.82
Earmarked balances for unclaimed dividend	0.30	0.30
Total other bank balances	**7.47**	**125.13**
(i) Fixed deposit of ₹ 7.17 million (March 31, 2020: ₹ 10.53 million) are under lien against credit facilities from banks.		
Total cash and cash equivalents	**1,781.62**	**988.67**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Balance with Bank		
Current accounts	1,025.67	650.02
Balance with bank in nodal accounts	747.96	212.58
Cash on hand	0.36	0.96
Fixed deposit having maturity less than three month	0.15	-
	1,774.14	**863.55**
	1,774.14	**863.55**

7 Financial assets by category

(₹ in Million)

Particulars	Cost	FVOCI	FVTPL	Amortized cost
March 31, 2021				
Investment				
- Equity shares	3,880.38	656.54		
- Preference shares	30.00			
Trade receivables				729.09
Loans				15.60
Cash and cash equivalents and other bank balances				1,781.62
other financial assets				1,754.17
Total Financial assets	**3,910.38**	**656.54**	**-**	**4,280.47**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Particulars	Cost	FVOCI	FVTPL	Amortized cost
March 31, 2020				
Investment			-	-
- Equity shares	3,759.30	615.79	82.76	-
- Preference shares	30.00		-	-
Trade receivables			-	533.50
Loans			-	16.60
Cash and cash equivalents and other bank balances			-	988.67
other financial assets			-	1,214.66
Total Financial assets	**3,789.29**	**615.79**	**82.76**	**2,753.44**

For Financial instruments risk management objectives and policies, refer Note 33

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33

Note 8 : Other assets

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Non-current		
Unsecured, considered good		
Capital advances	581.90	339.03
Prepaid expense	-	1.18
Security deposit	0.15	0.03
	582.05	**340.24**
Current		
Unsecured, considered good		
Advance to suppliers	531.78	555.69
Balance with government authorities	48.02	177.01
Prepaid expenses	50.63	102.30
Other assets	21.51	16.25
Receivable for settlement of payment gateway transaction (refer note 36)	3,977.59	1,398.22
Unsecured, considered doubtful		
Advance to suppliers	2.99	2.99
Less : Allowance for doubtful advances	(2.99)	(2.99)
	4,629.54	**2,249.48**
Total	**5,211.59**	**2,589.71**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 9 : Income tax assets (net)

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Tax paid in advance (net of provision) (refer note 22)	270.92	205.76
Total	**270.92**	**205.76**
Provision for tax (net of advance tax) (refer note 22)	48.05	49.64
Total	**48.05**	**49.64**

Note 10 : Equity share capital

Particulars	As at March 31,2021		As at March 31, 2020	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Authorized share capital*				
Equity shares of ₹ 1 each	1,400,000,000	1,400.00	897,500,000	897.50
0.01% cumulative compulsory convertible Preference shares of ₹ 10 each **	-	-	250,000	2.50
Issued and subscribed share capital				
Equity shares of ₹ 1 each	1,331,053,580	1,331.05	664,720,260	664.72
Subscribed and fully paid up				
Equity shares of ₹ 1 each	1,331,053,580	1,331.05	664,720,260	664.72
Total	**1,331,053,580**	**1,331.05**	**664,720,260**	**664.72**

* represents authorized share capital as per scheme of arrangement approved by National Company Law Tribunal, Ahmedabad Bench dated May 7, 2018. Company has made requisite filing with Ministry of Corporate Affairs on May 10, 2018

** 2,50,000 (Two Lakhs Fifty Thousand) 0.01% Compulsory Convertible Preference Shares of ₹ 10/- (Rupees Ten Only) each, amounting to ₹ 2.50 million, forming a part of the Authorized Share Capital of the Company were reclassified into 25,00,000 (Twenty Five Lakhs) Equity Shares having Face Value of Re. 1 (Rupee One Only) each amounting to ₹ 2.50 million pursuant to the Equity Shareholders' approval in the Extra Ordinary General Meeting of Infibeam Avenues Limited held on March 09, 2021.

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31,2021		As at March 31, 2020	
	No. of shares	₹ in Million	No. of shares	₹ in Million
Outstanding at the beginning of the year	664,720,260	664.72	663,392,240	663.39
Add:				
Shares allotted pursuant to exercise of Employee Stock Option Plan	806,530	0.81	1,328,020	1.33
Issue of Bonus shares	665,526,790	665.53		
Outstanding at the end of the year	1,331,053,580	1,331.05	664,720,260	664.72

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

10.2. Terms/Rights attached to the equity shares

The Company has equity shares having a par value of Re1 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of the equity shares is entitled to one vote per share.

On winding up of Company, the holder of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to number of equity shares held. Terms attached to stock options granted to employees are described in note 30 regarding employee share based payments.

10.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the Shareholder	As at March 31,2021		As at March 31, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Vishal A Mehta	119,918,800	9.01%	59,959,400	9.02%
Infinium Motors Private Limited	115,763,750	8.70%	53,047,220	7.98%
L7 Hitech Private Limited	74,494,209	5.60%	-	0.00%
Vishwas A Patel	153,191,324	11.51%	76,595,662	11.52%

Note: As per records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

10.4. Shares reserved for issue under options

For information relating to Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period please refer to note 30.

10.5. Distribution made and proposed

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Cash dividends on Equity Shares declared and paid:		
Interim dividend for Year Ended 31 March, 2021: ₹ Nil Per share (31 March, 2020: ₹ 0.10 Per Share)		66.37
Less: Paid to IEW Trust (refer note 37)		(0.23)
Net interim dividend paid	-	66.14
Proposed dividends on Equity Shares:		
Final cash dividend for March 31, 2021: ₹ 0.05 Per share (March 31, 2020: Nil)	66.55	-
(including Payable to IEW trust)		
Note: Refer note 27 for dividend paid to related party transactions		

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 11 : Other Equity

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Capital reserve		
Opening balance	100.00	-
Add: transfer on forfeiture of equity share warrants	-	100.00
Balance at the end of the year	**100.00**	**100.00**
General reserve		
Opening balance	0.00	105.22
Less : Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note : 35)	-	(107.31)
Add: Addition on account of lapse of options	0.15	2.10
Balance at the end of the year	**0.15**	**0.00**
Securities premium account		
Opening balance	25,136.73	25,054.39
Less: capitalization on issue of bonus shares	(665.53)	-
Add: on exercising of options	32.62	82.33
Balance at the end of the year	**24,503.82**	**25,136.73**
Foreign currency monetary item translation reserve		
Opening balance	(2.17)	(23.04)
Add: adjustment during the year	17.56	20.88
Balance at the end of the year	**15.39**	**(2.17)**
Employees Stock Options Outstanding (Net) (Refer Note 30)		
Opening balance	206.93	239.20
Add : Employee compensation expense for the year	106.93	52.16
Less: Transfer to securities premium on exercise of options	(32.62)	(82.33)
Less: Reversal due to lapse of options	(0.15)	(2.10)
Balance at the end of the year	**281.08**	**206.93**
Money received against share warrants		
Opening balance	**-**	100.00
Less: transfer to Capital Reserve on forfeiture of equity share warrants	**-**	(100.00)
Balance at the end of the year	**-**	**-**
Treasury Shares (refer note 37)		
Opening balance	(396.06)	(396.06)
Add : (Purchase)/sale of treasury shares by the trust during the year	-	-
Balance at the end of the year	**(396.06)**	**(396.06)**
IEW Trust Reserve (refer note 37)		
Opening balance	0.00	0.00
Add : received during the year	-	-
Balance at the end of the year	**0.00**	**0.00**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Retained earnings		
Opening balance	2,323.20	1,633.30
Less : Distribution of Net assets of demerged undertakings adjusted on account of scheme of arrangement (refer note : 35)	-	(308.90)
Add: profit for the year	723.34	1,079.92
Add: OCI for the year	(0.08)	(0.99)
	3,046.45	**2,403.34**
Less: Appropriation		
Interim Dividend paid (refer note 27)	-	(65.39)
Dividend Distribution Tax	-	(14.06)
Transition impact on account of adoption of Ind AS 116 “Leases"	-	(0.70)
Balance at the end of the year	**3,046.45**	**2,323.20**
Total Other equity	**27,550.85**	**27,368.63**

Securities Premium Reserve

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to “Securities Premium”. The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares.

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Employees Stock Options Outstanding

The share based option outstanding account is used to recognize the grant date fair value of options issued to employees under group’s employee stock option schemes.

Money received against share warrants

The Board of Directors of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) in its meeting held on February 14, 2018 issued 21,45,002 warrants to TV18 Broadcast Limited (a company not forming part of promoter and promoter group) on preferential basis with a right to apply and get allotment of equity shares of the Company of face value of Re 1 each within a period of 18 months from the date of allotment of warrant at a price of ₹ 186.48 (including premium of ₹ 185.48 each) aggregating to consideration not exceeding ₹ 400.00 million. The Company has received ₹ 100.00 million on March 28, 2018 and allotted warrants for the same on March 29, 2018. On expiry of right to apply and get allotment of equity shares, the money received against share warrants are forfeited and transferred to Capital Reserve.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 12 : Financial liabilities

12 Borrowings

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	110.41	175.81
Total long-term borrowings	**110.41**	**175.81**
Short-term Borrowings		
Secured		
Term loans from banks (refer note below)	87.90	87.90
Total short-term borrowings	**87.90**	**87.90**
Total borrowings	**198.31**	**263.71**

Terms of borrowings:

Term Loan:

The company has a Rupee Term Loan sanctioned facility of ₹ 507.1 million (previous year ₹ 427.5 million) from IndusInd Bank Limited. The facility carries interest of 10.35% till May 13, 2020 and interest of 10% from May 14, 2020. The facility is secured against the mortgage of Gift Two building, Gift City , Gandhinagar. The term loan is repayable in quarterly installments of ₹ 22.5 million each.

Loan Covenant:

Bank loans availed by the Company are subject to certain covenants relating to Debt Service Coverage Ratio (DSCR), Interest Coverage Ratio etc. which Company has to maintain from Financial Year 2019.

12 Trade payable

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Current		
Total outstanding dues of micro enterprises and small enterprises	2.67	3.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	212.81	295.99
	215.48	299.47
Total	**215.48**	**299.47**

(i) Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

(ii) For disclosure required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006, refer note 29.

(iii) For explanation on Company's liability risk management process, refer note 33.

(iv) Refer note 27 for trade payable to related parties.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

12 Other financial liabilities

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Non-current		
Lease Liability	42.84	34.66
	42.84	**34.66**
Current		
Employee benefits payable	36.35	31.32
Creditor for capital goods	50.39	40.63
Interest accrued and due on term loan	7.58	0.08
Creditor for expenses	16.43	16.92
Other payables	81.91	41.39
Unpaid dividends	0.30	0.30
Lease Liability	19.04	13.13
Security deposits from merchants	252.76	20.44
Provision for expenses	94.99	65.18
Payable to Company for reimbursement of expenses (net)	0.02	1.24
Book overdraft	-	20.15
	559.77	**250.79**
Total	**602.62**	**285.45**

12 Financial liabilities by category

(₹ in Million)

Particulars	FVTPL	FVOCI	Amortized cost
March 31, 2021			
Borrowings	-	-	198.31
Trade payable	-	-	215.48
Other financial liabilities	-	-	602.62
Total Financial liabilities	**-**	**-**	**1,016.40**

Particulars	FVTPL	FVOCI	Amortized cost
March 31, 2020			
Borrowings	-	-	263.71
Trade payable	-	-	299.47
Other financial liabilities	-	-	285.45
Total Financial liabilities	**-**	**-**	**848.62**

For Financial instruments risk management objectives and policies, refer Note 33

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 13 : Provisions

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Long Term		
Provision for employee benefits (refer Note 26)		
Provision for gratuity	49.51	44.27
	49.51	**44.27**
Short Term		
Provision for employee benefits (refer Note 26)		
Provision for gratuity	13.91	12.33
	13.91	**12.33**
Total	**63.42**	**56.60**

Note 14 : Other current liabilities

(₹ in Million)

Particulars	As at March 31,2021	As at March 31, 2020
Current		
Unsecured, considered good		
Advance from customers	41.40	132.30
Excess billing over revenue	10.25	56.31
Provision for expenses	3.21	7.28
Other liabilities	1.54	0.60
Payable for settlement of payment gateway transaction (refer note 36)	5,078.15	1,817.81
Statutory dues including provident fund and tax deducted at source	26.76	21.58
	5,161.32	**2,035.88**
Total	**5,161.32**	**2,035.88**

Note 15 : Revenue from operations

(₹ in Million)

Particulars	2020-21	2019-20
Sale of services	6,760.35	6,327.16
Total	**6,760.35**	**6,327.16**

Refer note 43 Disclosure pursuant to Ind AS 115 “Revenue from contract with customers”:

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 16 : Other income

(₹ in Million)

Particulars	2020-21	2019-20
Interest income on:		
- bank deposits	47.29	54.86
- Others	19.35	15.43
Rental income**	8.13	-
Net gain on account of foreign exchange fluctuations	-	15.25
Short Term Capital Gain on sale of mutual funds	0.29	1.46
Excess Provision written back	10.92	0.07
Liabilities / Provision no longer required written back	5.39	19.97
Miscellaneous income	8.81	9.61
Total	**100.19**	**116.65**

** The Company has entered into lease agreement for office premises with its subsidiary and associate companies. The leasing agreement is cancellable, and renewable on a periodic basis by mutual consent on mutually accepted terms including escalation of lease rent. Lease income from related parties recognized in the Statement of Profit and Loss for the year amounts to ₹ 5.80 million (March 31, 2020 : Nil). (refer note 27)

Note 17 : Employee benefits expense

(₹ in Million)

Particulars	2020-21	2019-20
Salaries, wages and bonus^	572.02	472.76
Contribution to provident fund and other funds (refer note 26)	17.62	13.09
Share based payments to employees*	24.31	42.59
Staff welfare expenses	1.34	3.86
Total	**615.29**	**532.29**
^Salaries, wages and bonus (net of capitalization)		
Salaries, wages and bonus	577.47	119.91
Less : Cost capitalized	(5.45)	-
Salaries, wages and bonus cost for the year	**572.02**	**119.91**
*** Employee stock option outstanding expenses**		
Share based payment expenses	106.93	52.16
Less : Deductions on account of Scheme of arrangement (refer note 35)	-	(8.79)
Less : Cost capitalized	(75.61)	-
Less: Cost recovered from associates	(7.01)	(0.79)
ESOP cost for the year	**24.31**	**42.59**

Note 18 : Finance costs

(₹ in Million)

Particulars	2020-21	2019-20
Interest expense on:		
- Bank loans	26.63	34.49
- Statutory dues	1.37	0.68
- Others	0.68	0.94
Interest on lease payment	5.74	5.25
Other borrowing cost	2.14	1.07
Total	**36.56**	**42.42**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 19 : Depreciation and Amortization expense

(₹ in Million)

Particulars	2020-21	2019-20
Depreciation on Tangible assets (refer note 5)	440.49	355.26
Amortization on Intangible assets (refer note 6)	291.54	503.10
Depreciation on Right of use assets (refer note 5)	18.54	14.94
Total	**750.56**	**873.31**

Note 20 : Other expenses

(₹ in Million)

Particulars	2020-21	2019-20
Telephone and other communication expenses	11.10	9.37
CSR Expenses (refer note 40)	9.65	7.30
Power and fuel	10.03	11.11
House keeping	0.03	0.09
Legal and professional fees	39.36	26.14
Office expenses	29.01	20.53
Printing and Stationary	0.01	0.05
Rent (refer note 32)	8.89	6.02
Rates and taxes	7.42	47.20
Repairs and maintenance		
Other	0.34	1.16
Security service charges	0.44	0.22
Travelling and conveyance	2.06	11.76
Payment to auditors (refer note 21)	7.19	6.77
Web hosting and server support expenses	19.70	20.69
Web service expenses	17.24	25.40
Net loss on account of foreign exchange fluctuations	12.01	-
Event management expenses	-	0.45
Service charges	2.16	7.08
Director sitting fees	1.16	1.46
Postage and courier	0.14	2.96
Sales promotion	10.74	38.72
Advertising expenses	57.73	42.90
Loss on sale of fixed assets	-	0.27
Allowance for doubtful debts	32.97	26.56
Balances written off	14.10	(0.00)
Miscellaneous expenses	5.87	5.26
Total	**299.34**	**319.45**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Exceptional items

(₹ in Million)

Particulars	2020-21	2019-20
IND AS impact on fair value of investment	-	82.76
Total	**-**	**82.76**

Note 21 : Payment to auditors

(₹ in Million)

Particulars	2020-21	2019-20
As auditor		
Statutory audit	2.51	2.10
Limited review	4.61	4.50
Certification charges	0.03	-
Reimbursement of expenses	0.03	0.16
Total	**7.19**	**6.77**

Note 22 : Income tax

The major component of income tax expense for the years ended March 31, 2021 and March 31, 2020 are : (₹ in Million)

Particulars	2020-21	2019-20
Tax paid in advance (net of provision)	270.92	205.76
Total	**270.92**	**205.76**
Provision for tax (net of advance tax)	48.05	49.64
Total	**48.05**	**49.64**

Particulars	As at March 31, 2021	As at March 31, 2020
Statement of Profit and Loss		
Current tax (of continued as well as discontinued operations)		
- for the current year	77.69	115.37
Deferred tax (of continued as well as discontinued operations)		
Deferred tax expense/ (credit) relating to origination and reversal of temporary difference	38.22	96.84
Income tax expense reported in the statement of profit and loss	115.91	212.21

Note : The Group elected to exercise the option permitted under Section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) ordinance, 2019. Accordingly, the Company has recognized the provision for income tax for the year ended March 31, 2021 and re-measured its deferred tax basis the rate prescribed in the said section. Accordingly, previous periods tax expenses are not comparable.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2021 and March 31, 2020.

A) Current tax

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Accounting profit before tax from continuing operations	731.53	795.30
Accounting profit before tax from discontinuing operations		(12.49)
Total profit before tax from operations	731.53	782.81
Enacted tax rate	25.17%	34.94%
Computed expected tax expense	184.11	273.51
Adjustments		
Deferred tax not recognized not considered reasonably uncertain of realization	9.13	-
Effect of non-deductible expenses	(44.05)	22.92
Effect of tax paid under differential tax rate	-	(0.31)
Tax on different rates	(0.30)	(3.45)
Tax benefit on brought forward losses	13.74	(25.18)
Excess of amortization of fixed assets under income-tax law over amortization provided in accounts	(0.04)	(5.10)
Employee benefit payable	(0.09)	1.39
Tax exempt income of foreign subsidiaries	(62.61)	(18.72)
Other adjustments	16.03	(32.86)
Income tax expenses:	**115.91**	**212.21**

B) Deferred tax

(₹ in Million)

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred income tax assets				
Excess of depreciation/ amortization on fixed assets provided in accounts over depreciation/ amortization under Income tax Act, 1961	(7.03)	(7.08)	(0.04)	(5.10)
Provision for employee benefits	13.18	18.26	5.08	(1.61)
Lease hold Property INDAS 116	1.15	-	(1.15)	-
Provision for doubtful advances to suppliers	-	0.91	0.91	(0.91)
Brought forward losses	-	-	-	5.77
Unabsorbed depreciation	-	4.87	4.87	(4.65)
IPO Expenses	55.05	98.30	43.24	21.86
Provision for diminution in value of investment and doubtful debts	19.43	20.40	0.97	(4.35)
Total deferred income tax assets	**81.78**	**135.65**	**53.87**	**11.00**
Deferred income tax liabilities				

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	(409.48)	(425.13)	(15.65)	86.36
DTL on FV of investment adjusted against goodwill	-	(0.34)	-	(0.52)
Total deferred income tax liabilities	**(409.48)**	**(425.47)**	**(15.65)**	**85.84**
Deferred tax (expense) / income*			**38.22**	**96.84**
Net deferred tax assets/(liabilities)*	**(327.70)**	**(289.82)**		

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Reflected in the balance sheet as follows		
Deferred tax assets	0.42	5.15
Deferred tax liabilities	(328.12)	(294.97)
Deferred tax assets (net)	**(327.70)**	**(289.82)**

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Reconciliation of deferred tax assets / (liabilities), net		
Opening balance as of April 1	(289.82)	(190.58)
Tax income/(expense) during the period recognized in profit or loss	(38.22)	(96.85)
Deferred tax liability on demerged subsidiaries	-	(2.04)
DTL on FV of investment adjusted against goodwill	0.34	(0.34)
Tax income/(expense) during the period recognized in OCI	(0.00)	(0.02)
Closing balance as at March 31	**(327.70)**	**(289.82)**

* The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 23 : Contingent liabilities

The Company does not have any contingent liability as at balance sheet date.

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts	-	-
b. Guarantees given by bank on behalf of the Company	-	-

Note 24 : Capital commitment and other commitments

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	0.36	1,740.59

Note 25 : Foreign Exchange Derivatives and Exposures not hedged

A. Foreign Exchange Derivatives: The Company does not have any foreign exchange derivatives

B. Exposure Not Hedged

(₹ in Million)

Nature of exposure	Currency	Year ended March 31, 2021		Year ended March 31, 2020	
		Foreign currency	Local currency (₹ Millions)	Foreign currency	Local currency (₹ Millions)
Creditors for expenses	USD	39,510	2.89	33,327	2.52
Provision for expenses	USD	6,650	0.49	6,250	0.47
			3.37		**2.99**
Trade receivables	USD	4,117,209	301.01	4,229,132	320.00
	EURO	277,082	23.76	43,132	3.57
	OMR	17,299	3.28	1,175	0.23
	SAR	38,601	0.75	308,891	6.22
	BHD	1,497	0.29	709	0.14
	GBP	22,882	2.31	26,899	2.52
	KWD	1,154	0.28	1,380	0.34
	QAR	90	0.00	-	-
Bank balance	USD	3,645,156	266.50	522,388	39.53
	BHD	39,582	7.67	43,739	8.78
	EURO	45,953	3.94	6,420	0.53
	GBP	60,161	6.06	35,239	3.29
	KWD	18,093	4.37	15,294	3.77
	OMR	18,663	3.54	10,457	2.06
	QAR	96,940	1.93	59,420	1.23
	SAR	442,709	8.63	132,531	2.67
Accrued revenue	USD	993,464	72.63	1,154,938	87.39
	AED	-	-	14,520	0.30
	SAR	376,200	7.33	468,500	9.44
			714.30		**492.00**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 26 : Disclosure pursuant to Employee benefits

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance.

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provident Fund	17.16	12.28
ESIC	0.46	0.81
	17.62	**13.09**

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier.

The benefit vests only after five years of continuous service.

March 31, 2021 : Changes in defined benefit obligation and plan assets

(₹ in Million)

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2020	Transfer in/(out) obligation	Service cost	Net interest expense	**Sub-total included in statement of profit and loss**	**Benefit paid/ Reversal**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub-total included in OCI**	**Contributions by employer**	**Derecognition in view of disinvestment of subsidiaries**	**March 31, 2021**
Gratuity														
Defined benefit obligation	56.60	0.89	7.77	3.21	11.87	(2.00)	-	-	(4.86)	1.82	(3.04)	-	-	63.42
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**56.60**	**0.89**	**7.77**	**3.21**	**11.87**	**(2.00)**	**-**	**-**	**(4.86)**	**1.82**	**(3.04)**	**-**	**-**	**63.42**
Total benefit liability	**56.60**	**0.89**	**7.77**	**3.21**	**11.87**	**(2.00)**	**-**	**-**	**(4.86)**	**1.82**	**(3.04)**	**-**	**-**	**63.42**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

March 31, 2020 : Changes in defined benefit obligation and plan assets

(₹ in Million)

		Gratuity cost charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2019	Transfer in/(out) obligation	Service cost	Net interest expense	**Sub-total included in statement of profit and loss**	**Benefit paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub-total included in OCI**	**Contributions by employer**	**Derecognition in view of disinvestment of subsidiaries**	**March 31, 2020**
Gratuity														
Defined benefit obligation	47.90	-	6.25	3.18	9.43	(1.99)	-	(0.00)	(0.08)	1.33	1.25	-	-	56.60
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**47.90**	**-**	**6.25**	**3.18**	**9.43**	**(1.99)**	**-**	**(0.00)**	**(0.08)**	**1.33**	**1.25**	**-**	**-**	**56.60**
Total benefit liability	**47.90**	**-**	**6.25**	**3.18**	**9.43**	**(1.99)**	**-**	**(0.00)**	**(0.08)**	**1.33**	**1.25**	**-**	**-**	**56.60**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

(₹ in Million)

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Discount rate	5.6% - 6.33%	5.75% - 5.76%
Future salary increase	8%	8%
Attrition rate	20% - 40% at younger ages reducing to 5% at older ages	20% - 40% at younger ages reducing to 5% at older ages
Morality rate	IALM(2006-08) published table of mortality rates	IALM(2006-08) published table of mortality rates
Retirement age	58 years	58 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(₹ in Million)

Particulars	**Sensitivity level**	**(increase) / decrease in defined benefit obligation (Impact)**	
		Year ended March 31, 2021	**Year ended March 31, 2020**
Gratuity			
Discount rate	0.5% increase	(18.05)	(13.37)
	0.5% decrease	19.15	17.35
Future Salary increase	0.5% increase	18.71	16.84
	0.5% decrease	(17.83)	(13.74)
Withdrawal rates (W.R.)	10% increase	(15.12)	(14.64)
	10% decrease	15.43	15.95

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

The followings are the expected future benefit payments for the defined benefit plan : (₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gratuity		
Within the next 12 months (next annual reporting period)	13.91	10.10
Between 2 and 5 years	32.94	30.17
Beyond 5 years	29.51	30.59
	76.36	**70.85**
Total expected payments	**76.36**	**70.85**

Risk Exposure :

i. Investment risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

ii. Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

iii. Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

iv. Actuarial Risk

a. Salary Increase Assumption

Actual Salary increases that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.

b. Attrition/Withdrawal Assumption

If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the company and the financials assumptions.

v. Regulatory Risk

Any Changes to the current Regulations by the Government, will increase (in most cases) or Decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note 27 : Related Party disclosures.

As per the Indian Accounting Standard on "Related Party Disclosures" (IND AS 24), the related parties of the Company are as follows :

Name of Related Parties and Nature of Relationship :

Description of relationship	Name of the parties
Parties with whom transactions have been entered into	
Company where Key Managerial Personnel can exercise control / significant influence	Tripwheels and Drive Private Limited (formerly known as Infinium Automall Private Limited) (upto March 14, 2020)
	Infinium Communication Private Limited
	Infinity Drive Private Limited (upto April 20, 2020)
	Infinium Motors (Gujarat) Private Limited
	Infinium Motors Private Limited
	Avenues Enterprises Private Limited
Key Management Personnel ('KMP')	
Managing Director	Vishal Ajit Mehta
Executive Director	Vishwas Ambalal Patel
Non-executive Directors	Malav Ajit Mehta (upto June 05, 2020)
	Ajit Champaklal Mehta
	Roopkishan Sohanlal Dave
	Keyoor Madhusudan Bakshi
	Vijaylaxmi Tulsidas Sheth
	Piyushkumar Sinha
Chief Financial Officer (CFO)	Hiren Padhya
Company Secretary (CS)	Shyamal Trivedi
Relatives of KMP	Jayshree Ajit Mehta
	Nirali Vishal Mehta
	Malav A. Mehta (with effect from June 06, 2020)
	Anoli Malav Mehta
	Varini Vishwas Patel
	Vivek Vishwas Patel
Description of relationship	**Name of the parties**
Associate Company	Avenues Payments India Private Limited
	Instant Global Paytech Private Limited (upto May 05, 2020)
	NSI Infinium Global Limited (upto March 31, 2020)
	DRC Systems India Limited (with effect from April 01, 2020)
	Infibeam Global EMEA FZ LLC

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Related Party Transactions

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Issue of equity shares on exercising of ESOP (Number of shares)					
Chief Financial Officer (CFO)	**31-Mar-21**	0.02	-	-	**0.02**
	31-Mar-20	0.01	-	-	0.01
Company Secretary (CS)	**31-Mar-21**	0.03	-	-	**0.03**
	31-Mar-20	0.04	-	-	0.04
Issue of equity shares pursuant to Bonus Issue (Number of shares)	**31-Mar-21**	255.31	58.39	-	**313.70**
	31-Mar-20	-	-	-	-
Issue of equity shares of DRC Systems India Limited pursuant to Scheme of Arrangement (Number of shares)	**31-Mar-21**	0.64	0.14	-	**0.78**
	31-Mar-20	-	-	-	-
Issue of equity shares of Suvidhaa Infoserve Limited pursuant to Scheme of Arrangement (Number of shares)	**31-Mar-21**	34.48	7.67	-	**42.15**
	31-Mar-20	-	-	-	-
Investment in equity shares					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	70.00	**70.00**
	31-Mar-20	-	-	-	-
Salaries and ESOP to key managerial personnel					
Chief Financial Officer	**31-Mar-21**	5.87	-	-	**5.87**
	31-Mar-20	5.01	-	-	5.01
Company Secretary	**31-Mar-21**	5.39	-	-	**5.39**
	31-Mar-20	5.08	-	-	5.08
Rent Expense					
Vishwas Patel (Executive Director)	**31-Mar-21**	12.79	-	-	**12.79**
	31-Mar-20	12.79	-	-	12.79
Rent Deposits					
Vishwas Patel (Executive Director)	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	2.45	-	-	2.45
Rent Income					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	0.03	**0.03**
	31-Mar-20	-	-	0.30	0.30
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	3.64	3.64
DRC Systems India Limited	**31-Mar-21**	-	-	5.80	**5.80**
	31-Mar-20	-	-	-	-
ESOP cost recovered					
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.07	0.07

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
DRC Systems India Limited	**31-Mar-21**	-	-	6.94	**6.94**
	31-Mar-20	-	-	-	-
Interest income					
DRC Systems India Limited	**31-Mar-21**	-	-	0.22	**0.22**
	31-Mar-20	-	-	-	-
Director sitting fees to non-executive and independent directors	**31-Mar-21**	1.16	-	-	**1.16**
	31-Mar-20	1.46	-	-	1.46
Sale of services / goods					
Infinium Motors Private Limited	**31-Mar-21**	-	24.00	-	**24.00**
	31-Mar-20	-	-	-	-
DRC Systems India Limited	**31-Mar-21**	-	-	92.13	**92.13**
	31-Mar-20	-	-	-	-
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	1.73	**1.73**
	31-Mar-20	-	-	21.39	21.39
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	1.87	1.87
Receipt of services / goods					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	0.01	**0.01**
	31-Mar-20	-	-	-	-
Reimbursement of expenses from (amount receivable)					
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.93	0.93
DRC Systems India Limited	**31-Mar-21**	-	-	0.61	**0.61**
	31-Mar-20	-	-	-	-
Infinium Motors Private Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	0.02	-	0.02
Purchase of Fixed Assets					
Infinium Motors Private Limited	31-Mar-21	-	-	-	-
	31-Mar-20	-	9.88	-	9.88
Purchase of Go Cards					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	1.86	**1.86**
	31-Mar-20	-	-	1.13	1.13
Loan given					
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.75	0.75
Avenues Payments India Private Limited	**31-Mar-21**	-	-	10.00	**10.00**
	31-Mar-20	-	-	0.01	0.01
DRC Systems India Limited	**31-Mar-21**	-	-	30.07	**30.07**
	31-Mar-20	-	-	-	-

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Chief Financial Officer (CFO)	**31-Mar-21**	0.30	-	-	**0.30**
	31-Mar-20	0.30	-	-	0.30
Company Secretary (CS)	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	0.30	-	-	0.30
Repayment of Loan given					
DRC Systems India Limited	**31-Mar-21**	-	-	30.07	**30.07**
	31-Mar-20	-	-	-	-
Chief Financial Officer	**31-Mar-21**	0.10	-	-	**0.10**
	31-Mar-20	0.10	-	-	0.10
Company Secretary (CS)	**31-Mar-21**	0.30	-	-	**0.30**
	31-Mar-20	-	-	-	-
Dividend paid	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	27.07	7.04	-	34.11
Balance outstanding					
Investment					
Infibeam Global EMEA FZ LLC	**31-Mar-21**	-	-	675.86	**675.86**
	31-Mar-20	-	-	675.86	675.86
Avenue Payment India Private Limited	**31-Mar-21**	-	-	214.03	**214.03**
	31-Mar-20	-	-	214.03	214.03
DRC Systems India Limited	**31-Mar-21**	-	-	30.60	**30.60**
	31-Mar-20	-	-	-	-
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	60.00	60.00
Investment (in Preference Shares)					
Avenue Payment India Private Limited	**31-Mar-21**	-	-	30.00	**30.00**
	31-Mar-20	-	-	30.00	30.00
Trade receivable					
DRC Systems India Limited	**31-Mar-21**	-	-	27.00	**27.00**
	31-Mar-20	-	-	-	-
Loans and advances given					
Avenue Payment India Private Limited	**31-Mar-21**	-	-	10.01	**10.01**
	31-Mar-20	-	-	0.01	0.01
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.75	0.75
Chief Financial Officer	**31-Mar-21**	0.70	-	-	**0.70**
	31-Mar-20	0.50	-	-	0.50
Company Secretary	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	0.30	-	-	0.30
Receivables for reimbursement					
NSI Infinium Global Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.93	0.93
Rent Payable					
Vishwas Ambalal Patel	**31-Mar-21**	6.46	-	-	**6.46**
	31-Mar-20	1.10	-	-	1.10

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Director sitting fees payable					
Director sitting fees payable to non-executive and independent directors	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	0.14	-	-	0.14
Payable for settlement of payment gateway transactions					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	4.10	4.10
Security deposit given					
Vishwas Ambalal Patel	**31-Mar-21**	3.20	-	-	**3.20**
	31-Mar-20	3.20	-	-	3.20
Other receivables on account of scheme of arrangement					
DRC Systems India Limited	**31-Mar-21**	-	-	15.00	**15.00**
	31-Mar-20	-	-	-	-
Security deposit taken					
Instant Global Paytech Private Limited	**31-Mar-21**	-	-	-	**-**
	31-Mar-20	-	-	0.10	0.10

Terms and conditions of transactions with related parties

(1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Group has not provided any commitment to the related party as at March 31, 2021 (March 31, 2020: ₹ Nil)

Note 28 : Earning per share

(₹ in Million)

Particulars	2020-21	2019-20
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	702.48	1,080.51
From continuing operations	702.48	1,106.79
From discontinued operations	-	(26.28)
Total no. of equity shares at the end of the year	1,331,053,580	664,720,260
Add: Issue of Bonus shares during FY-2020-21 in the ratio of 1:1 *		664,720,260
Total no. of equity shares at the end of the year	1,331,053,580	1,329,440,520

* Since the bonus issue is an issue without consideration, the bonus issue is treated as if it had occurred prior to the beginning of the year FY-2020-21, the earliest period reported.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Weighted average number of equity shares

For basic EPS	1,324,387,058	1,327,346,263
For diluted EPS	1,340,367,904	1,335,801,971
Nominal value of equity shares	1.00	1.00
From continuing operations		
Basic earning per share	0.53	0.84
Diluted earning per share	0.52	0.83
From discontinued operations		
Basic earning per share	-	(0.02)
Diluted earning per share	-	(0.02)
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	1,324,387,058	1,327,346,263
Effect of dilution: Employee stock options	15,980,846	8,455,708
Weighted average number of equity shares adjusted for the effect of dilution	1,340,367,904	1,335,801,971

Note 29 : Dues to micro and small suppliers

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act') accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2021 and March 31, 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance-sheet date.

(₹ in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	2.67	3.48
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

On basis of information and records available with the Group, the above disclosures are made in respect of amount due to the micro and small enterprises, which have been registered with the relevant competent authorities. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Company for this purpose.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 30 : Share based payments

Employee stock option (ESOP) scheme (2013-14):

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 17, 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 30, 2013. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Employee stock option (ESOP) scheme (2014-15)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 27, 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 31, 2014. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Employee stock option (ESOP) scheme (2019-20)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on June 29, 2019, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on July 30, 2019. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 98% below the market price at the date of grant.

Scheme	ESOP Scheme 2013-14				ESOP Scheme 2019-20	
Date of grant	April 1, 2020	July 01, 2020	October 25, 2020	January 01, 2021	July 01, 2020	January 01, 2021
Number of options granted	200,000	85,000	19,850	80,000	116,100	4,200,000
Exercise price per option	1.00	1.00	1.00	1.00	1.00	1.00
Vesting requirements	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.	Vesting period as defined by the board in the letters issuing the options to employees.
Exercise period	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years
Method of settlement	Demat mode	Demat mode	Demat mode	Demat mode	Demat mode	Demat mode

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

The following table sets forth a summary of the activity of options:

Particulars	2020-21			2019-20		
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20
Options						
Outstanding at the beginning of the year	263,680	3,966,220	100,000	146,211	5,031,860	-
Granted during the year	384,850	-	4,316,100	426,679	-	100,000
Exercised during the year	(369,380)	(437,150)	-	(290,060)	(1,037,960)	-
Lapse during the year	(92,800)	-	(1,000)	(19,150)	(27,680)	-
Outstanding at the end of the year-Pre-Bonus	186,350	3,529,070	4,415,100	263,680	3,966,220	100,000
Outstanding at the end of the year-Post-Bonus *	372,700	7,058,140	8,830,200			
Exercisable at the end of the year	372,700	7,058,140	8,830,200	263,680	3,966,220	100,000

* In view of Bonus shares issued by the Company in the ratio of 1:1, the outstanding stock options as on the record date of Bonus are being entitled to bonus and hence the post bonus effect is considered for outstanding stock options as at March 31, 2021.

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognized in profit or loss as part of employee benefit expense were as follows :

(₹ in Million)

Particulars	2020-21	2019-20
Employee stock option plan	24.31	42.59
Total employee share based payment expense	**24.31**	**42.59**

The fair value of the share based payment options granted on is determined using the black scholes model using the following inputs at the grant date which takes in to account the exercise price, the term of the option, the share price at the grant date, and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	March 31, 2021				March 31, 2020		
Option grant date	April 1 , 2020	July 01, 2020	October 25 , 2020	January 01, 2021	April 01, 2019	October 25, 2019	January 01, 2020
Weighted average share price	35.97	60.82	83.07	86.41	43.19	45.01	55.12
Exercise price	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Expected volatility	64%	56%	50%	49%	50%	71%	71%
Expected life (years)	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Dividend yield	0.29%	0.29%	0.29%	0.29%	0.47%	0.47%	0.47%
Risk-free interest rate (%)	5.83%	4.66%	4.94%	4.99%	6.31%	5.41%	5.03%
Fair market value share	36.12	61.01	82.62	84.72	41.67	43.99	52.92
Weighted average remaining contractual life (Years)							

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Employee Stock Appreciation Rights (SAR)

Pursuant to the resolution passed by the Board of Directors of the Company, at its meeting held on July 13, 2017 and the special resolution passed by the Members of the Company on August 11, 2017, the Infibeam Stock Appreciation Rights Scheme 2017 ("SAR Scheme 2017") was approved in accordance with the provisions of SEBI (SBEB) Regulations, having face value of ₹ 1.00 each. The Company has created "Infibeam Employees Welfare Fund" by way of a trust on September 5, 2017 which will be involved in the execution of Infibeam Stock Appreciation Rights Scheme 2017 (SAR). Barclays Wealth Trustees (India) Private Limited (Barclays) are appointed as trustees of the same. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

SARs granted are as under:

Particulars	Approval Date	No. of SARs post bonus	No. of SARs pre bonus	SAR Price post bonus	SAR Price pre bonus
Option grant date	February 14, 2019	5,592,622	2,796,311	70.5	141

Movement in options:

Particulars	SAR Scheme 2017 As at March 31, 2021	SAR Scheme 2017 As at March 31, 2020
SAR Scheme 2017		
Outstanding at the beginning of the year	2,031,311	2,276,311
Granted during the year	951,311	-
Exercised during the year	-	-
Lapse during the year	(186,311)	(245,000)
Outstanding at the end of the year -Pre-Bonus	2,796,311	2,031,311
Outstanding at the end of the year-Post-Bonus *	5,592,622	-
Exercisable at the end of the year-Pre-Bonus	1,845,000	2,031,311
Exercisable at the end of the year-Post-Bonus *	3,690,000	-

* In view of Bonus shares issued by the Company in the ratio of 1:1, the outstanding SAR as on the record date of Bonus are being entitled to bonus and hence the post bonus effect is considered for outstanding SAR as at March 31, 2021.

Note 31 : Segment reporting

Geographical segments for the Group are secondary segments. Segment revenue is analyzed based on the location of customers regardless of where the services are provided from. The following provides an analysis of the Company's sales by Geographical Markets. For management purposes, the Group operates in three principal geographical areas of the world, in India, UAE and the other countries.

A. Information about geographical areas

The Group operates in three principal geographical areas of the world, in India, middle east, and the other countries. As the Group does not operate in more than one business segment, disclosures for primary segment as required under Ind AS 108 have not been given.

B. Unallocated items:

Domestic geographical segment includes certain assets which are common to all the geographical segments (i.e. India, UAE and Others).

C. Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

D. Major customer

Revenue from one customer of the Group's India segment is ₹ 1633.57 million which is more than 10 percent of the Group's total revenue for the year ended March 31, 2021.

Revenue from one customer of the Group's India segment is ₹ 1,644.58 million which is more than 10 percent of the Group's total revenue for the year ended March 31, 2020.

(₹ in Million)

	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31-03-21	5,785.17	541.74	433.44	6,760.35
	31-03-20	5,395.78	675.83	255.54	6,327.16
Carrying amount of segment non current assets*	31-03-21	21,598.87	131.00	18.27	21,748.14
	31-03-20	21,505.15	94.42	-	21,599.57

* The carrying amount of non current assets, which do not include deferred tax assets, income tax assets and financial assets analyzed by the Geographical area in which the Assets are located.

Note 32 : Lease

The Group's lease asset primarily consist of leases of buildings offices having the various lease terms. Effective April 1, 2019, the group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Following is carrying value of right of use assets recognized on date of transition and the movements thereof during the year ended March 31, 2021 and March 31,2020:

(₹ in Million)

Particulars	Right to use asset	
	Leasehold Building	
	March 31, 2021	March 31, 2020
Opening Balance	45.19	-
Transition impact on account of adoption of Ind AS 116 "Leases" (refer Note 3)	-	60.13
Total Right of Use on the date of transition	**45.19**	**60.13**
Additions during the year	32.15	-
Deletion during the year	-	-
Depreciation of Right of use assets (refer note 5)	18.54	14.94
Closing Balance	**58.81**	**45.19**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021 and March 31, 2020 :

(₹ in Million)

Particulars	Lease Liability	
	Leasehold Building	
	March 31, 2021	March 31, 2020
Opening Balance	47.79	-
Transition impact on account of adoption of Ind AS 116 "Leases"	-	60.13
Additions during the year	29.25	-
Finance cost accrued during the year	5.74	5.25
Deletions	-	-
Payment of lease liabilities	(20.89)	(17.59)
Closing Balance	**61.89**	**47.79**
Current maturities of Lease liability (refer note 12)	19.04	13.13
Non-Current Lease Liability (refer note 12)	42.84	34.66

The following are the amounts recognized in statement of Profit & Loss :

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Amortization of Right to use assets	18.54	14.94
Interest on Lease obligation	5.74	5.25
	24.27	**20.19**

The adoption of the new standard has also resulted in decrease in profit before tax and profit for the year 2019-20 by ₹ 2.60 million (Increase in depreciation expense and finance cost by ₹ 14.94 million and ₹ 5.25 million respectively with corresponding decrease in other expense by ₹ 17.59 million). The effect of this adoption is insignificant on earnings per share. Ind AS 116 has also resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments by ₹ 17.59 million each. Total Deferred tax expense and deferred tax liabilities are decreased by ₹ 0.91 million.

The Group had total cash out flows for leases of ₹ 20.89 million in the current year (year ended March 31, 2020 ₹ 17.59 million). The entire amount is in the nature of fixed lease payments. The Company had non-cash addition to right of use assets of ₹ 32.15 million and lease liabilities of ₹ 29.25 million in the current year (year ended March 31, 2020 ₹ 60.13 million) on account of acquisition of right to use assets.

The weighted average incremental borrowing rate applied to lease liabilities is 10.65%

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 33 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the Financial Statements.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

As at 31 March 2021

(₹ in Million)

Particulars	Carrying amount				Fair value			
	Amortized Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	-	656.54	-	656.54	-	656.54	-	656.54
Other Non-current financial asset*	84.57	-	-	84.57	-	84.57	-	84.57
	84.57	**656.54**	**-**	**741.10**	**-**	**741.10**	**-**	**741.10**
Financial liabilities								
Long term borrowing	110.41	-	-	110.41	-	110.41	-	110.41
Other financial liabilities-non-current	42.84	-	-	42.84	-	42.84	-	42.84
	153.25	**-**	**-**	**153.25**	**-**	**153.25**	**-**	**153.25**

As at 31 March 2020

(₹ in Million)

Particulars	Carrying amount				Fair value			
	Amortized Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	-	615.79	82.76	698.55	-	698.55	-	698.55
Other Non-current financial asset*	471.76	-	-	471.76	-	471.76	-	471.76
	471.76	**615.79**	**82.76**	**1,170.31**	**-**	**1,170.31**	**-**	**1,170.31**
Financial liabilities								
Long term borrowing	175.81	-	-	175.81	-	175.81	-	175.81
Other financial liabilities-non-current	34.66	-	-	34.66	-	34.66	-	34.66
	210.47	**-**	**-**	**210.47**	**-**	**210.47**	**-**	**210.47**

The management assessed that cash and cash equivalents, other bank balances, loans, trade receivables, trade payables, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

* The management assessed that carrying value approximates to the fair value

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Level 1 - Valuation technique and significant observable inputs for assets and liabilities

Current Investment represents investment in mutual funds. The fair value of investment is derived based on the fund statement provided by the fund manager.

Reconciliation of Level 1 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 1 fair values.

(₹ in Million)

Particulars	2020-21	2019-20
Opening Balance on April 1,	-	-
Purchases	152.49	550.50
Sales	(152.49)	(550.50)
Closing Balance on March 31,	-	-

Level 2 - Valuation technique and significant observable inputs for assets and liabilities

Long term borrowings represents loan taken from bank. The fair value of borrowing is derived based on market observable interest rate.

The fair values of the unquoted non current investment have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows and discount rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference investments.

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The treasury team recommends risk management objectives and policies. The activities of this operations include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities. The carrying amount of following financial assets represents the maximum credit exposure.

Financial Instruments and Cash Deposits

The Group maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade receivables

Trade receivables of the Group are typically unsecured. Credit risk is managed through periodic monitoring of the creditworthiness of customers to which Group grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

At March 31, 2021, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

(₹ in Million)

Particulars	Carrying amount	
	As at March 31, 2021	As at March 31, 2020
Domestic	397.41	200.48
Other regions	331.68	333.02
	729.09	**533.50**

Impairment

At March 31, 2021, the ageing of trade and other receivables that were not impaired was as follows. (₹ in Million)

Particulars	Carrying amount			
	As at March 31, 2021		As at March 31, 2020	
	Upto 0-180 days	More than 180 days	Upto 0-180 days	More than 180 days
Gross	569.40	234.99	507.40	80.14
Less: Allowances for doubtful debts	(22.73)	(52.57)	(11.75)	(42.28)
Net	**546.67**	**182.42**	**495.65**	**37.86**

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for Trade receivables as at March 31, 2021 and March 31, 2020

iii. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

(₹ in Million)

Particulars	On demand	Less than 1 year	More than 1 year
Year ended March 31, 2021			
Interest bearing borrowings*		87.90	110.41
Trade payables		215.48	-
Other financial liabilities		559.77	42.84
	-	**863.15**	**153.25**

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in Million)

Year ended March 31, 2020			
Interest bearing borrowings*		87.90	175.81
Trade payables		299.47	
Other financial liabilities		250.79	34.66
	-	**638.16**	**210.47**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings, deposits.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, USD, EURO, OMR, SAR, BHD, GBP, KWD and QAR. The Group has foreign currency trade payables and receivables and is, therefore, exposed to foreign exchange risk. The Group does not use any derivative instruments to hedge its risks associated with foreign currency fluctuations.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, SAR, EURO and GBP rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Million)

	Change in USD rate	Effect on profit before tax
March 31, 2021	+5%	31.84
	-5%	(31.84)
March 31, 2020	+5%	22.20
	-5%	(22.20)
	Change in SAR rate	**Effect on profit before tax**
March 31, 2021	+5%	0.84
	-5%	(0.84)
March 31, 2020	+5%	0.92
	-5%	(0.92)

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

	Change in EURO rate	Effect on profit before tax
March 31, 2021	+5%	1.39
	-5%	(1.39)
March 31, 2020	+5%	0.21
	-5%	(0.21)

	Change in GBP rate	Effect on profit before tax
March 31, 2021	+5%	0.42
	-5%	(0.42)
March 31, 2020	+5%	0.29
	-5%	(0.29)

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 market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed plus variable rate borrowings.

Note 34 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest-bearing loans and borrowings (Note 13)	205.89	263.78
Less: cash and cash equivalent and other bank balance (Note 7)	(1,781.62)	(988.67)
Net debt	**(1,575.73)**	**(724.89)**
Equity share capital (Note 11)	1,331.05	664.72
Other equity (Note 12)	27,550.85	27,368.63
Total capital	**28,881.90**	**28,033.35**
Capital and net debt	**27,306.17**	**27,308.46**
Gearing ratio	**-**	**-**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021, March 31, 2020.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note 35 :Demerger of business undertakings and subsidiary company

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated November 27, 2020, sanctioned the Composite Scheme of Arrangement amongst Infibeam Avenues Limited ('Infibeam'), Suvidhaa Infoserve Limited ('Suvidhaa'), DRC Systems India Limited ('DRC') and NSI Infinium Global Limited ('NSI') and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('Scheme') leading to Transfer and vesting of the SME E-Commerce Services Undertaking from Infibeam to Suvidhaa and Themepark & Event Software Undertaking from Infibeam to DRC. The Scheme became effective upon filing of certified copy of the order with the Registrar of Companies (RoC) on December 2, 2020. The Appointed Date for the Composite Scheme of Arrangement was April 1, 2020 and the Record Date was set as December 11, 2020 for the purpose of determining the shareholders for issuance of Equity Shares.

Demerger of Themepark & Event Software Undertaking :

In accordance with the provisions of the aforesaid scheme, upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Themepark & Event Software Undertaking into DRC pursuant to the provisions of this Scheme, DRC has, without any further act or deed, issued and allotted to each shareholder of Infibeam, whose name is recorded in the register of members and records of the depositories as members of Infibeam, on the Record Date in the following ratio:

1 (One) equity share of ₹ 10/- (Rupees Ten Only) each of DRC credited as fully paid-up for every 412 (Four Hundred Twelve) equity shares of Re. 1/- (Rupee One Only) each held by such shareholder in Infibeam

Demerger of SME E-commerce Services Undertaking:

In accordance with the provisions of the aforesaid scheme, upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the SME E-commerce Services Undertaking into Suvidhaa pursuant to the provisions of this Scheme, Suvidhaa has, without any further act or deed, issued and allotted to each shareholder of Infibeam, whose name is recorded in the register of members and records of the depositories as members of Infibeam, on the Record Date in the following ratio:

197 (One Hundred Ninety-Seven) equity shares of Re. 1 /- (Rupee One Only) each of Suvidhaa credited as fully paid-up for every 1,500 (One Thousand Five Hundred) equity shares of Re. 1/- (Rupee One Only) each held by such shareholder in Infibeam

The shares have been allotted during the year post approval of scheme and the amount of distribution of net assets of the demerged undertakings have been adjusted against General Reserve and Retained Earnings under Other equity.

In accordance with the scheme, the demerger of undertakings has been accounted as prescribed by Ind AS 103 "Business Combinations".

Accordingly, the accounting treatment has been given as under: -

All the assets and liabilities of demerged undertakings and subsidiary company (DRC) as at 1 April 2020 have been transferred at their book values from the financial statements of the Group and the net assets value have been adjusted against General Reserves and Retained earnings under Other Equity.

Further, the SME E-Commerce Services Undertaking, Themepark & Event Software Undertaking and subsidiary company (DRC) have been disclosed as discontinued operations and financial results of previous year presented have been restated accordingly, to disclose the results of demerged undertakings/company separately from the Group's continuing business operations.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Statement of Profit and Loss of demerged undertakings and subsidiaries:

(₹ in Million)

Particulars	Themepark & Event Software Undertaking	SME E-commerce Services Undertaking	DRC Systems Limited	Total
Income				
Revenue from operations	13.41	31.68	108.67	153.76
Other Income	-	-	7.59	7.59
Total income (I)	**13.41**	**31.68**	**116.26**	**161.35**
Expenses				
Employee benefits expenses	7.41	6.41	77.13	90.94
Finance cost	-	-	1.06	1.06
Depreciation and amortization expenses	27.85	9.79	2.58	40.22
Other expenses	2.01	4.75	34.85	41.62
Total expenses (II)	**37.27**	**20.95**	**115.62**	**173.84**
Profit / (Loss) before share of associates	**(23.85)**	**10.73**	**0.64**	**(12.49)**
Share in net profit / (loss) of associates				(17.86)
Profit / (Loss) before tax	**(23.85)**	**10.73**	**0.64**	**(30.34)**
Tax expenses	(8.34)	3.75	0.52	(4.06)
Profit / (Loss) after tax	**(15.52)**	**6.98**	**0.11**	**(26.28)**

Assets and liabilities transferred

The book values of the assets and liabilities of demerged undertakings and subsidiary company (DRC) transferred at the appointed date (April 01 , 2020) were as follows:

(₹ in Million)

Particulars	Themepark & Event Software Undertaking	SME E-commerce Services Undertaking	DRC Systems Limited	Total
Assets:				
Property, Plant and Equipment	0.12	0.07	1.78	1.97
Other intangible assets	50.87	4.49	1.29	56.65
Goodwill on consolidation	-	-	18.11	18.11
Investments (held for sale)	-	302.72	0.00	302.72
Deferred Tax Assets	-	-	2.04	2.04
Income tax assets (net)	-	-	0.27	0.27
Trade receivables	1.06	1.53	36.55	39.14
Cash and cash equivalents	3.99	40.80	5.26	50.05
Other Financial Assets	-	-	1.77	1.77
Other Current Assets	-	-	2.82	2.82
	56.04	**349.60**	**69.88**	**475.52**
Liabilities:				
Provisions-non-current	-	-	3.74	3.74
Trade payable	-	-	13.62	13.62
Other financial Liabilities	0.60	0.53	5.59	6.73
Other current Liabilities	18.32	0.31	3.90	22.53
Provisions-current	-	-	0.94	0.94
	18.93	**0.84**	**27.80**	**47.57**
Net Assets Transferred	**37.12**	**348.76**	**42.08**	**427.96**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Net Assets Transferred as on April 01, 2020 adjusted against following in previous year :

General Reserve (Note 12)	107.31
Retained Earnings (Note 12)	308.90
Non-controlling Interest	11.75
	427.96

Note 36 : Nodal account balance

The Group maintains nodal account with ICICI Bank, HDFC Bank and Kotak Mahindra Bank. The nodal accounts are operated as per RBI guidelines pertaining to settlement of payment for electronic payment transactions for payment gateway business. The balance in the nodal accounts represents money collected from customers on transaction undertaken and is used for settling of dues to various merchants as per RBI guidelines.

Receivable for settlement of transactions:

The balance in receivable for settlement of transaction represents the amount pending to be received from pooling bank account and payment gateway for successful online transaction completed by the customer of the merchant into the nodal accounts. These amounts once collected in Nodal account will be utilized for payment to the merchants.

Payable for settlement of transactions:

The balance in payable for settlement of transaction represents the amount pending to be paid to merchant for successful online transaction completed by the customer of the merchant. The amount for the nodal accounts are transferred to the merchant designated bank account as per RBI guidelines, after deducting applicable charges.

Note 37: Consolidation of Trust

The Group has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Group under the plan, providing share based payment to its employees. IEW trust purchases Parent Company's shares out of funds provided by the Group. The Group treats IEW as its extension and accordingly shares held by IEW are treated as treasury shares.

The Consolidation of the IEW trust financials statements with that of the Group does not in any manner affect the independence of the trustees where the rights and obligations are regulated by the trust deed.

Own equity instruments (treasury shares) are deducted from equity.

(i) The sources and application of funds of the IEW Trust consolidated as at March 31, 2021 were as follows:

(₹ in Million)

Particulars	2020-21	2019-20
Corpus Fund	0.00	0.00
Borrowing	402.19	401.96
Current liabilities and provision	40.44	40.29
Cash and cash equivalents	0.01	0.26
Non current investments	396.06	396.06
Net asset / (liability)	**(46.56)**	**(45.94)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

(ii) Impact on the Group's profit and loss post IEW Trust consolidation for the year March 31, 2021 (₹ in Million)

Particulars	2020-21	2019-20
Income		
Dividend on equity	-	0.28
Expenses		
Administrative expense	0.62	0.62
Impact on profit before tax	**(0.62)**	**(0.34)**

(iii) Summarized statement of cash flows of the Trust consolidated for the year ended March 31, 2021

(₹ in Million)

Particulars	2020-21	2017-18
Cash and cash equivalents April 1,	0.26	0.02
Cash flow from operating activities	(0.48)	(4.00)
Cash flow from investing activities	-	0.28
Cash flow from financing activities	0.23	3.96
Cash and cash equivalents March 31,	**0.01**	**0.26**

Other items adjusted owing to the Trust consolidation include :

(a) Treasury shares

Upon consolidation, the investment in the Company's equity shares made by IEW Trust is debited to the Company's equity as treasury shares amounting to ₹ 396.06 million as at March 31, 2021 (previous year: ₹ 396.06 million).

(b) Dividend Income

The dividend income of the Trust is debited to the Company's retained earning amounting to Nil as at March 31, 2021 (previous year: ₹ 0.28 million) (shown as deduction from dividend paid).

(c) Other Non Current Financial Assets and other income

Loan advanced to the Trust is eliminated on consolidation amounting to ₹ 402.19 million as at March 31 , 2021 (previous year: ₹ 401.96 million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ₹ Nil (previous year: ₹ Nil).

(d) Interest Expenses

Due to significant difference in the purchase price of the shares acquired and prevailing market price of the share, the Company foresees inability of the ESOP Trust to service its loan obligations and interest payment temporarily. Accordingly the Company has reduced the interest on loan to zero.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

Note : 38 Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

(₹ in Million)

Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share of profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
1. Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited)	91.15%	26,324.31	24.58%	172.66	-12017.36%	2.11	24.88%	174.77
Subsidiary								
Indian								
1. Instant Global Paytech Pvt Ltd (w.e.f. 06.05.2020)	0.23%	66.56	0.56%	3.90	-395.74%	0.07	0.57%	3.97
2. Infibeam Digital Entertainment Pvt. Ltd.	-0.23%	(65.36)	-0.72%	(5.08)	0.00%	-	-0.72%	(5.08)
3. So Hum Bharat Digital Payments Private Limited (w.e.f. 20/02/2021)	0.95%	273.49	-0.01%	(0.05)	0.00%	-	-0.01%	(0.05)
4. Odigma Consultancy Solutions Pvt. Ltd.	0.70%	201.70	32.94%	231.37	41.77%	(0.01)	32.93%	231.36
5. Infibeam Logistics Pvt. Ltd.	1.12%	324.67	-2.42%	(17.00)	0.00%	-	-2.42%	(17.00)
6. Cardpay Technologies Pvt Ltd (w.e.f. 04.06.2020)	0.05%	15.69	-0.28%	(1.95)	0.00%	-	-0.28%	(1.95)
7. Avenues Infinite Private Limited	4.11%	1,186.59	0.12%	0.85	12831.11%	(2.26)	-0.20%	(1.40)
Foreign		-						
1. AI Fintech INC (w.e.f.09.06.2020)	0.43%	123.74	4.70%	33.04	0.00%	-	4.70%	33.04
2. Vavian International Limited (From July 1, 2018)	0.43%	124.72	3.61%	25.37	0.00%	-	3.61%	25.37
3. Avenues World FZ LLC (From July 1, 2018)	1.06%	305.78	27.63%	194.08	0.00%	-	27.63%	194.08
Associates		-						
1. Avenues Payments India Private Limited	0.00%	-	-3.72%	(26.14)	0.00%	-	-3.72%	(26.14)
2. Instant Global Paytech Pvt Ltd (up to 05.05.2020)	0.00%	-	-0.30%	(2.10)	0.00%	-	-0.30%	(2.10)
3. Infibeam Global EMEA FZ LLC	0.00%	-	16.40%	115.19	0.00%	-	16.40%	115.19
4. Rich Relevants Ltd	0.00%	-	0.06%	0.41	0.00%	-	0.06%	0.41
5. DRC Systems India Limited (w.e.f.01.04.2020)	0.00%	-	-0.17%	(1.21)	0.00%	-	-0.17%	(1.21)
Non-Controlling interest in subsidiary	-0.01%	(2.82)	-2.97%	(20.86)	-359.78%	0.06	-2.96%	(20.80)
Total	**100%**	**28,879.08**	**100%**	**702.48**	**100%**	**(0.02)**	**100%**	**702.46**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note : 39 Investment in Associate

The following table depicts the summarized financial information of the Group's investment in associates.

(₹ in Million)

	Avenues Payments India Private Limited		Instant Global Paytech Private Limited (up to 05.05.2020)		Infibeam Global EMEA FZ LLC		Rich Relevants Limited		DRC Systems India Limited (w.e.f. 01.04.2020)		Total	
Summarized Balance Sheet	**March 31,2021**	**March 31,2020**	**May 05,2020**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**
Current assets	56.16	98.09	115.02	62.79	4,572.27	3,706.77	3,766.70	2,516.15	106.19	-	8,616.33	6,383.81
Non current assets	94.41	145.15	18.79	18.40	2,258.54	2,431.86	-	-	38.14	-	2,409.88	2,595.41
Current liabilities	34.02	13.95	66.41	79.43	436.94	154.81	3,341.05	2,084.07	83.79	-	3,962.22	2,332.26
Non current liabilities	5.20	41.79	0.75	0.83	-	-	-	-	3.50	-	9.45	42.61
Equity	**111.35**	**187.51**	**66.66**	**0.94**	**6,393.87**	**5,983.81**	**425.64**	**432.09**	**57.02**	**-**	**7,054.54**	**6,604.34**
Proportion of the Group's ownership	22.68%	22.69%	48.98%	48.00%	49.00%	49.00%	49.00%	49.00%	29.69%	0.00%		
Carrying amount of investment	**25.25**	**42.55**	**32.65**	**0.45**	**3,132.99**	**2,932.07**	**208.57**	**211.72**	**16.93**	**-**	**3,416.39**	**3,186.79**

Summarized statement of profit and loss	**March 31,2021**	**March 31,2020**	**April 01, 2020 to May 05, 2020**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**	**March 31,2021**	**March 31,2020**
Revenue	86.15	93.91	10.44	248.09	1,251.59	3,038.10	1,238.74	3,086.97	207.18	-	2,794.09	6,467.06
Cost of Sale	-	-	8.37	224.50	864.64	2,138.57	1,237.17	3,025.44	93.35	-	2,203.53	5,388.51
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
Changes in inventories of stock-in -trade	-	-	-	-	-	-	-	-	-	-	-	-
Employee benefits expense	143.83	101.01	6.07	57.99	9.48	10.47	-	-	81.98	-	241.36	169.47
Finance cost	2.14	1.15	-	-	-	-	-	-	0.52	-	2.66	1.15
Depreciation	23.48	14.71	0.14	0.90	132.35	2.99	-	-	22.12	-	178.09	18.59
Other expenses	30.78	38.94	0.24	6.40	10.03	6.78	0.73	12.59	15.33	-	57.11	64.71
Profit / (Loss) before tax	**(114.08)**	**(61.91)**	**(4.38)**	**(41.70)**	**235.08**	**879.29**	**0.84**	**48.94**	**(6.12)**	**-**	**111.34**	**824.63**
Income tax (credit)	-	0.09							(1.33)	-	(1.33)	0.09
Profit / (Loss) for the year	**(114.08)**	**(61.99)**	**(4.38)**	**(41.70)**	**235.08**	**879.29**	**0.84**	**48.94**	**(4.79)**	**-**	**112.67**	**824.54**
Other Comprehensive Income / (Loss)	(1.20)	0.56	0.10	0.95					0.73	-	(0.37)	1.51
Total comprehensive profit / (loss) for the year	**(115.28)**	**(61.43)**	**(4.28)**	**(40.74)**	**235.08**	**879.29**	**0.84**	**48.94**	**(4.07)**	**-**	**112.30**	**826.06**
Proportion of the Group's ownership	22.68%	22.69%	48.98%	48.00%	49.00%	49.00%	49.00%	49.00%	29.69%	0.00%	0.00%	0.00%
Group's share of profit / (loss) for the year	**(26.14)**	**(13.94)**	**(2.10)**	**(19.56)**	**115.19**	**536.72**	**0.41**	**24.53**	**(1.21)**	**-**	**86.15**	**527.76**
Contingent liabilities and capital commitment												
Contingent liabilities	-	-	-	-	-	-	-	-	-	-	-	-
capital commitment	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note : 40 Corporate Social Responsibility (CSR) Activities:

a. The Group is required to spend ₹ 9.65 million (Previous Year ₹ 7.30 million) on CSR activities.

b. Amount spent during the year on:

(₹ in Million)

	Year ended					
	March 31, 2021			March 31, 2020		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction / Acquisition of an Assets	-	-	-	-	-	-
Contribution to Trust/Universities	9.65	-	9.65	7.30	-	7.30
On Purposes other than (i) above	-	-	-	-	-	-

Note : 41 Transfer Pricing

The Group transactions with associated enterprise is at arm's length. Management believes that the group domestic transactions with associated enterprises post March 31, 2021 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the period end.

Note : 42

During the year ended March 2020, the Group has received Government grant amounting to ₹ 95.85 million against purchase of qualifying assets (Office Building and Data Centre related infrastructure). The same have been deducted from the carrying amount of the qualified assets. Accordingly, depreciation expense on qualified assets has been less charged to the statement of profit and loss by ₹ 24.45 (Previous year: ₹ 9.67 million).

Note : 43 Disclosure pursuant to Ind AS 115 "Revenue from contract with customers":

a. Disaggregation of revenue

The table below presents disaggregated revenue from contract with customer for the year ended March 31, 2021 and March 31, 2020 by offerings.

i) Revenue by offerings

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Digital Payment and Checkout Web Services	5,714.82	5,741.60
E-Commerce Related Web Services	1,045.54	585.56
Total	**6,760.35**	**6,327.16**

Digital Payment and Checkout Web Services

It comprises revenue from providing complete, simple and secure online payment gateway and checkout web services, with a real-time Credit Card, Debit Card, Net Banking, Digital and Mobile Wallet including UPI Payments, Cash Card and Mobile Payment transaction validation process and platforms. This enables eCommerce websites to sell products and services online, and accept payments in real time.

E-Commerce Related Web Services

These primarily include a comprehensive suite of E-Commerce related web services comprising of domain registry, technical analysis and testing of software web services, digital advertising, and infrastructure related services.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

ii) Refer note 31 for disaggregation of revenue by geographical segments

iii) The Group believes that this disaggregation best depicts how the nature, amount, timing of its revenues and cash flows are affected by industry, market and other economic factors.

b) Transaction price allocated to remaining performance obligation

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2021 is ₹ 0.54 million (March 31, 2020 is ₹ 48.96 million) which is expected to be recognize as revenue within the next one year. Remaining performance obligation estimates are subject to change and are affected by several factors, including changes in the scope of contracts, periodic revalidations, and adjustments for currency.

c) Changes in contract assets are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	526.65	184.67
Revenue recognized during the year	609.65	528.76
Invoices raised during the year	(372.41)	(186.78)
Balance at the end of the year	**763.89**	**526.65**

d) Changes in unearned and deferred revenue are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	56.31	227.17
Revenue recognized that was included in the excess billing over revenue at the beginning of the year	(54.61)	(177.23)
Increase due to invoicing during the year, excluding amounts recognized as revenue during the year	8.55	6.37
Balance at the end of the year	**10.25**	**56.31**

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

Note : 44

World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Group. On account of this, the Group has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment testing of goodwill and intangible assets having indefinite useful life, using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and nonfinancial assets. The Group will continue to closely monitor any material changes to future economic conditions.

Note : 45

Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of current year.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Gandhinagar
Date: May 27, 2021

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

Vishal Mehta
Managing Director
DIN: 03093563

Gandhinagar
Date: May 27, 2021

Ajit Mehta
Chairman
DIN: 01234707

Gandhinagar
Date: May 27, 2021

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 27, 2021

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 27, 2021

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Advisory, Content & Visualization