INFIBEAM AVENUES

July 05, 2019

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 **Company Code No.: 539807**	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 **Company Symbol: INFIBEAM**

Dear Sir / Madam,

Sub: Annual Report of the Company for the F.Y. 2018-19 and Notice convening the 9th Annual General Meeting

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed Notice convening the Annual General Meeting ("AGM") and the Annual Report of the Company for the Financial Year 2018-19, which is being dispatched/sent to the members of the Company by permitted mode(s).

The AGM of the Company will be held on Tuesday, July 30, 2019, at 10.30 a.m. at 23rd Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar – 382 355.

The Annual Report containing the Notice is also being made available on the website of the Company at www.ia.ooo.

We request you to kindly take the same on your records.

Thanking you,

Yours faithfully,

For Infibeam Avenues Limited
(Formerly known as Infibeam Incorporation Limited)

Infibeam Avenues Limited

Shyamal Trivedi
Vice President & Company Secretary

Encl.: As above

INFIBEAM AVENUES LIMITED
(Formerly known as Infibeam Incorporation Limited)
Regd. Office: 28th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar – 382 355, **CIN: L64203GJ2010PLC061366**
Tel: +91 79 67772204 | **Fax:** +91 79 67772205 | **Email:** ir@ia.ooo | **Website:** www.ia.ooo

INFIBEAM™
AVENUES

PAYMENTS | INFRASTRUCTURE | PLATFORMS

ADDING VALUE.
MULTIPLYING GROWTH.

Infibeam Avenues Limited

Annual Report 2018-19

Contents

FIND US ONLINE

http://www.ia.ooo/financial-results/fy-2018-19

Infibeam Avenues Limited (IAL) Quick Facts

- India's leading digital payment solutions, cloud infrastructure and e-commerce technology platform company
- Comprehensive technology platform portfolio built in-house
- Profitable and publicly-listed company in India
- Strong value proposition for merchants transacting online (enterprises and governments)
- Provides digital payment solutions to over 70% e-merchants in India

ADDING VALUE.
MULTIPLYING GROWTH.

In the early days, we knew that success will come through trying different business opportunities and focusing on the ones that can scale significantly with profitability in sight. The competitive landscape in e-commerce has continued to evolve at a fast pace and a few large players have invested significant capital and resources in building online marketplace awareness, traffic and sales.

Instead of competing in the online marketplace price war and incur huge losses, we continued our sharp focus in growing our web-services business, which is an enabler for digital transactions. The web services business comprises digital payments, data centre infrastructure and e-commerce enterprise platforms to government and enterprises.

We have used detailed analysis, intuition and crisp execution to define and focus on core business opportunities of web services and find our way forward to build market leadership as an enabler for digital transactions. Our web services solutions address customers belonging to different industries and segments who use our digital payments to platforms and digital infrastructure solutions. We believe that our unique, asset-light business model holds immense potential for scaling up and provides strength and stability to our business activities.

We continue to be guided by our principles of long term thinking and passion to make a positive difference for our customers, employees and shareholders. To get to this point was hard and the path to success has been anything but straight. As our Company grows, everything needs to scale, including our investments in experiments that we undertake to gain market leadership. We believe that we have acquired the right scale for the Company to take risks that can actually move the needle. We will share with you the rationale and strategic thought process when we make bold decisions so you may evaluate if we are making the right long term investment. We will be very careful before undertaking such bold bets and work hard to make them a success, but we also realise that not all bets will ultimately pay-out. We will learn important lessons from our mistakes along the way.

Owing to our approach of providing innovative and bespoke solutions to our customers, we have built a defensible business across our business segments. With rapid additions of users and merchants, all our business segments are braced up to touch higher peaks. We have a great track record of creating sustainable, long-term value for all our stakeholders and are committed to progress on this path in a steadfast manner.

During the year, we witnessed exponential growth in number of users/merchants, value of transactions processed and revenues across our key businesses. We formed strategic alliances and also divested the non-core marketplace businesses to create long term shareholder value.

Having laid a solid foundation across our businesses, we are now looking to tap into and maximise the unlimited opportunities to scale our web services business. This can be achieved by identifying, planning and executing key focus areas across all business segments and by optimising efficiencies as much as possible. An approach of driving both organic and inorganic growth will expedite our progress and help us become a larger and leaner Company in future. Guided by our experienced management team and by staying true to our spirit of pioneering, we are confident of adding value, multiplying growth in future.

Performance Highlights during the Year

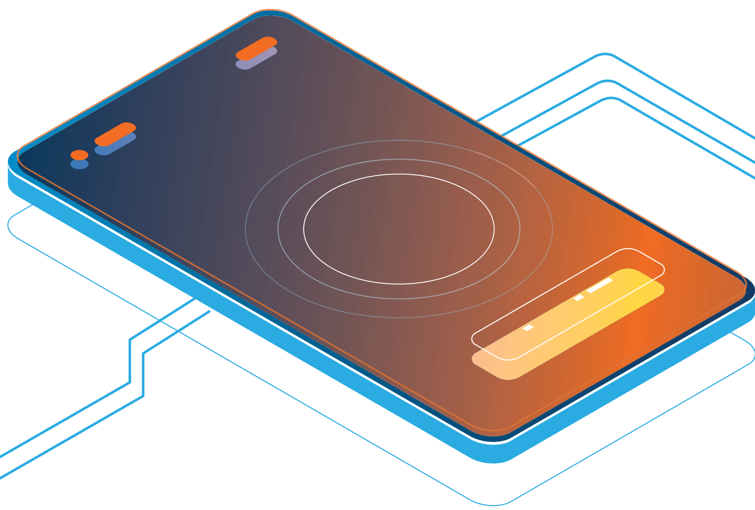
REVENUES	PROFIT AFTER TAX	EBITDA	PAYMENTS PROCESSED
₹ 11,591 million	₹ 1,263 million	₹ 1,762 million	₹ 494,220 million
38.1%* ▲	43.3%* ▲	12.4%* ▲	129.3%* ▲

*Over FY 2017-18

IAL at a glance

A NICHE DIGITAL PLAYER IN INDIA

Infibeam Avenues Limited (IAL) is a leading digital payments and e-commerce technology company in India and provides a comprehensive suite of web services spanning digital payment solutions, data centre infrastructure and software platforms. We provide solutions to merchants, enterprises, corporations and governments in both domestic as well as international markets to enable online commerce. Our digital technology facilitates businesses and governments to execute e-commerce transactions in a safe and secure manner.



Mr. Vishal Mehta, MD and founder of our e-commerce technology business (established in 2010), is an MIT graduate and former executive at Amazon, USA. Mr. Vishwas Patel, founder of the payments business (established in 2001) is also the Chairman of Payments Council of India (PCI), an apex body in India representing companies in payments and settlement system. Our Company has grown from strength to strength since its inception. Headquartered in GIFT City, Gandhinagar, we are a team of over 650 people. Our offices are located in Mumbai, Delhi, Bengaluru, the UAE and Kingdom of Saudi Arabia.

Mr. Vishal Mehta
Managing Director

Mr. Viswas Patel
Executive Director

Our strengths

800,000+ Merchants

240+ Payment options

27 Multi-currency

10 International 8 Domestic Languages

Our businesses, also called as Infibeam Avenues Web Services (IWS), are clubbed under three broad categories of digital Payments, Infrastructure and Platforms (PIP).

Payments

This business operates through our flagship brand—CCAvenue—which is a PCI DSS 3.2.1 compliant payment gateway platform. With over 240 payment options connecting more than 55 Indian banks on a real-time basis, CCAvenue is one of India's largest direct debit engines. It processes payments through net-banking, all types of credit cards, debit cards and digital wallets, including UPI payments. With operations in India and the Middle East, this business offers multi-lingual and multi-currency payment solutions to users.

As a pure-play online payment solutions provider, in India, we rank second by net profit share, third in revenue market share and first in number of wallet and EMI options that we offer to our merchants, while in the UAE, we rank second in payments processed among all the non-bank players.

Infrastructure

Under this business, we have built a data centre at GIFT City, Gandhinagar in collaboration with Schneider and IBM. This centre has received Tier-III design certification from Uptime Institute and is built on resilient and high-speed processors. Our Company will run the captive workload through this data centre and will also open additional capacity as public cloud with the following services: Infrastructure as a Service (IaaS), Platform as a Service (PaaS) (blockchain platform, e-commerce platform), Database as a Service (DBaaS). The data centre business will offer storage as well as compute services. It will also provide domain infrastructure services under our '.OOO' generic top-level domain (gTLD) and will also run our advertisement platform frameworks.

This centre houses the first IBM LinuxONE in India to run public cloud services and is the first production-ready blockchain platform in India running on HyperLedger.

Platforms

Through this business, we provide cloud-based, end-to-end software as a service (SaaS) platforms that allow our corporate clients to transact online, manage the back-end (orders, inventory and logistics), make digital payments, undertake online marketing and so on. We also host one of the largest online market for government procurement called Government of India e-Marketplace (GeM) and enterprise clients. BillAvenue and ResAvenue are some of our other prominent platform brands in this business.

Our business model

WELL INTEGRATED ACROSS THE VALUE CHAIN

Payment gateway CCAvenue, empowers transactions across platforms

Target segment	Brand
MSMEs, large enterprises, brands, governments, across various industries in India and the Middle East	E-commerce platform for enterprise clients ResAvenue, end-to-end platform for hoteliers
Government (central and state), government departments, Public Sector Undertakings (PSUs)	GeM (built on Enterprise platform)

IAL data centre and .ooo domain business have the potential to provide support to above digital payment solutions and platforms

Value created

- Enterprise e-commerce store
- Full chain of online hospitality solutions
- Access to large set of customers
- Marketing support

- Government can procure genuine products and services at competitive prices from KYC completed registered merchants
- E-bidding
- Reverse auctions
- Demand aggregation
- User ratings
- Analytics
- and more...

Our investment case

OUR VALUE PROPOSITION

An integrated and scalable business model

We have built a robust business model largely on transaction-based revenues. This model can be scaled up significantly. We are well-poised to capture and maximise the opportunities arising from the exponential growth of digitalisation and e-commerce in India. The government's digital initiatives and efforts to make India a less-cash economy through use of digital modes for payment will further aid our prospects.

Diversified offerings

Our offerings span multiple domains of digital payments, digital infrastructure services, domain infrastructure, advertisement platform frameworks, e-commerce technology for large enterprises and governments, and more. We have a track record of creating sustainable value for a large set of merchants, users, corporations and governments. In fact, many of our customers use our multiple offerings from the three PIP business segments. We are looking to gain larger share of their wallet in future by exploring and optimising cross-selling opportunities.

Strong brand equity

In our journey so far, we have created strong brands across all our business segments. These brands are trusted by our customers, merchants and all key stakeholders. We are committed to making the requisite investments in further fortifying these brands and leveraging their full potential.

Growth over the past four years

3x

Consolidated revenues

14x

Consolidated Profit After Tax

Our offerings

- Payment gateway
- Bill payments
- Offline to online payments
- Cross-border payments
- Data centre services
- Hospitality solutions
- GeM
- E-commerce technology for large enterprises
- Blockchain applications
- .ooo domain registry
- Advertisement platform frameworks

Our brands

- CCAvenue®
- BillAvenue®
- ResAvenue®
- Infibeam Avenues Data Center
- .ooo
- BuildaBazaar For Enterprise

Corporate Overview
Statutory Reports
Financial Statements

Robust financials

With one eye firmly on operational and financial efficiencies, we have a proven track record of balancing rapid growth with high-quality earnings. In fact, we are among the very few profitable digital payments and e-commerce technology companies in India. Our strong financial health and generation of positive cash flow provide us with the growth capital for future.

Experienced management team

Our management team has been instrumental in our success story so far. Their rich experience, futuristic-thinking and strong execution capabilities have acted as a guiding light for us and will continue to take us in the right direction, going forward. In our rapidly evolving industry, their expertise helps us stay ahead of the curve.

Asset-light business

We have predominantly adopted an asset-light business model, which helps us keep a tab on our expenses and drive our overall profitability. Most of our large-ticket expenditure is behind us and we are now leveraging on the strength of our integrated portfolio built in-house. We are also forming strategic and mutually beneficial partnerships with prominent players across our businesses and sub-segments both in domestic and international markets to scale newer heights and achieve a favourable risk-reward equation.

We are amongst the most scaled and profitable online payment gateway in India

20 years

Average industry experience of our management team

Cash flow from operations

₹ 3,393 million

FY 2018-19

₹ 973 million

FY 2017-18

Operational highlights

CLOCKING-IN ALL-ROUND GROWTH

Q1

Organic

We welcomed many merchants to **our web services this year and increased the total number of merchants to over 800,000.** We continued to add healthy number of merchants and enterprises to our universe. Our target is to touch one million merchants by the end of FY 2019-20 through our various web services.

Inorganic

Our Company completed acquisition of payments solutions provider, Vavian International in the Middle East in June 2018 for a consideration of $1.2 million. Vavian is the second largest non-bank payment player in terms of number of payments processed in the UAE.

Q2

Organic

Three new states signed Memorandum of Understanding (MoU) with the government and joined the GeM platform in the quarter. **The Government aims to ramp up procurement from this platform rapidly in future.** We added several new merchants, including Tata Power Delhi Distribution, Mahanagar Gas, National Insurance Company and Vodafone Mpesa. In August 2018, we launched the advertising platform on our '.OOO' domain and garnered ~85,000 publisher registrations as affiliates by the end of September 2018.

Q3

Organic

Our data centre at GIFT City, Gandhinagar **received Tier-III design certification from Uptime Institute**, the most trusted and recognised certification body for data centre infrastructure.

We **collaborated with IBM India** to bring developer tools, high-speed compute infrastructure and capabilities to clients for building blockchain applications on our cloud data centre.

The reputed Sintex Group entered into an agreement with our Company for developing and managing their digital platform.

We added many new merchants during the quarter, including Torrent Power, Shriram General Insurance and eSEVA Government of Telangana.

Inorganic

After investing in cross border remittance business last year, this year we invested in another high-growth opportunity in payments industry, targeting offline market. We purchased a 48% stake in Instant Global Paytech Pvt. Ltd. (IGPL), which offers services such as money transfer, mobile recharges, bill payments, travel booking and Bharat Bill Pay System (BBPS) to the unbanked and underbanked people in India. **Due to its business model, its addressable market is over 700 million people across India.** The business is scaling rapidly. This investment is in addition to other acquisition that we made in a business offering in cross-border remittances and payments, along with its white-label cross-border payments platform to many marquee financial institutions.

We also gave control of our marketplace businesses to Suvidhaa Infoserve, offering financial services such as remittances, utility bill payments, insurance premium payments, value-added services and recharges, to form an omni-channel (online and offline) marketplace.

With an aim to strengthen focus on our core businesses, we also divested our wholly-owned subsidiary i.e. Infinium (India) Ltd., in the business of trading and distribution of consumer products, to Ingenius E-commerce Private Limited.

Q4

Organic

We added many new merchants in the quarter including Indian School of Business (ISB), BookMyShow,, Jumeirah Golf Estates and Maharashtra Housing and Area Development Authority (MHADA).

Inorganic

We are making steady inroads into select markets outside India. One such strategic alliance was formed with the UAE-based Alrowad Information Technology solutions to expand our payments and platforms businesses in the Middle East and Africa region.

Additionally, our UAE-based subsidiary Infibeam Global EMEA FZ-LLC signed an agreement with the Middle East's firm UniPropitia FZCO wherein the latter will acquire a 51% stake in the former for a consideration of upto $ 25 million. This will help us enhance our footprint in the Arab League countries using UniPropitia's experience and network in the Arab region.

Key performance indicators

DELIVERING STRONG FINANCIALS

Revenue from operations

J in million

41% ↑

2018-19	11,591
2017-18	8,393
2016-17	4,413
2015-16	3,370
2014-15	2,882

Revenue from web services

J in million

100% ↑

2018-19	9,565
2017-18	5,414
2016-17	1,599
2015-16	1,028
2014-15	668

EBITDA*

J in million

152% ↑

2018-19	1,873
2017-18	1,880
2016-17	830
2015-16	274
2014-15	46

* EBITDA includes other income

Profit Before Tax

J in million

160% ↑

2018-19	1,535
2017-18	1,152
2016-17	563
2015-16	87
2014-15	-101

Profit After Tax

J in million

143% ↑

2018-19	1,263
2017-18	881
2016-17	435
2015-16	88
2014-15	-101

EBITDA ** Margin

(%)

2018-19	16.2
2017-18	22.4
2016-17	18.8
2015-16	8.1
2014-15	1.6

** EBITDA includes other income

PAT Margin

(%)

2018-19	10.9
2017-18	10.5
2016-17	9.9
2015-16	2.6
2014-15	-3.5

Debt

J in million

2018-19	403
2017-18	670
2016-17	1,362
2015-16	37
2014-15	49

Debt/Equity***

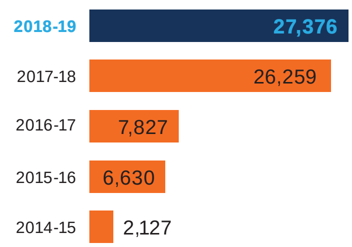
(x)

2018-19	0.04
2017-18	0.07
2016-17	0.18
2015-16	0.01
2014-15	0.02

*** Equity is net of Goodwill

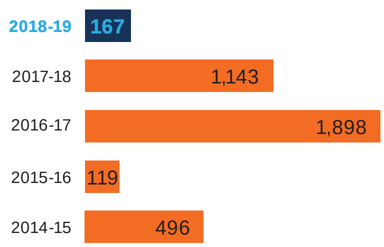
Net worth

J in million



Capex****

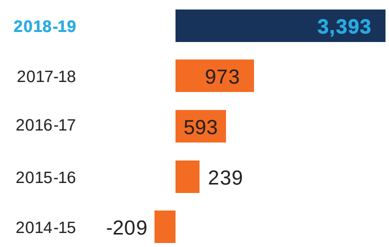
J in million



**** Capex excludes IPO money utilised

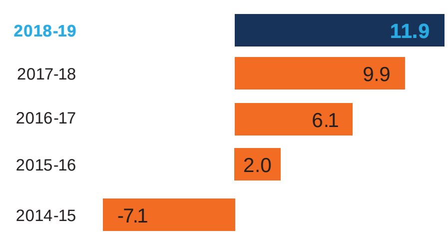
Cash flow from operations

J in million



Return on Equity*****

(%)



***** Equity is net of goodwill

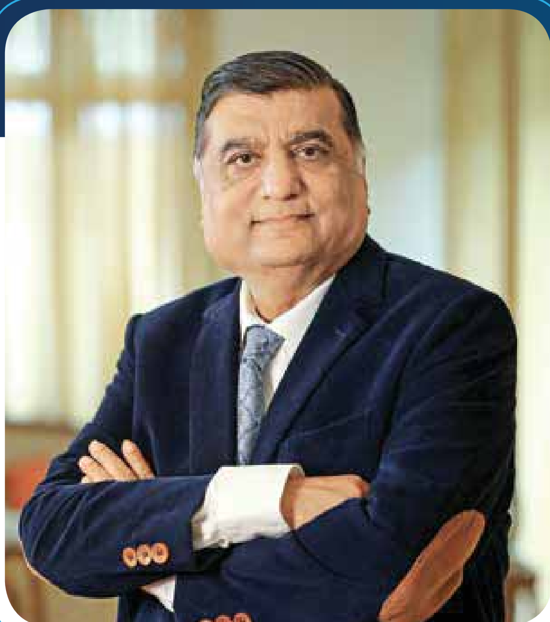
↑ 5 year CAGR

↑ 4 year CAGR

↑ 3 year CAGR

Chairman's message

SCRIPTING A MULTI-YEAR GROWTH STORY



Dear Shareholders,

It is my pleasure to share with you our performance for FY 2018-19. It was a year of consolidation wherein we reaped the benefits of investments made in earlier years, moved away from non-core businesses and took initial steps to further expand our international business.

Stable macro-economic environment

Overall macro-economic indicators remained favourable during the fiscal. India continued to be one of the fastest growing larger economies of the world. Factors pivotal to our economy namely private investments, gross capital formation, private consumption, construction activity and exports showed improving momentum. Benign inflation increased the purchasing power in the hands of the population and also propelled the Reserve Bank of India (RBI) to prune rates and adopt a neutral stance around its monetary policies. As the RBI treads the path of balancing inflation with economic growth, most consumption-driven sectors could see robust growth in future.

Going forward, growth of Indian economy is likely to witness some uptick as benefits of reforms in the past couple of years start flowing in.

Booming e-commerce, digital sectors

Consumption of internet services in India has surged in recent years amid falling costs of both smartphones as well as data. This, along with continued emphasis of the government on aiding digitalisation and non-cash payments could have ripple effects across many sectors that rely heavily on internet usage for their growth. These include digital payments, fintech, e-commerce and hotel bookings, among others. A young, aspiring population with rising disposable incomes will drive consumption demand in India and aid all sectors related to internet usage. With many vertical-focused start-ups emerging within the sector, larger companies are better placed to chalk out and execute inorganic growth strategies.

We believe, building high-speed processing, resilient and efficient technology infrastructure will be a pre-requisite to facilitate and sustain the exponential growth of internet services in India. Best-in-class data centres will form the backbone of the digital economy and hence hold immense promise for future.

Creating value, consistently

FY 2018-19 was another remarkable year for IAL. We made long strides in our payments businesses by exploring both organic and inorganic routes to growth. This business continues to grow from strength to strength with rising acceptance among users and growing number of merchants.

WEB SERVICES REVENUE

₹ 9,565 million

77%* ▲

"We are committed to embrace the best corporate governance practices and achieve higher transparency in our operations"

Payments processed by us more than doubled as compared to FY 2017-18 owing to a 50% increase in the number of average daily merchant additions. Our bill payments business, housed under BillAvenue grew rapidly as we partnered with multiple agent institutions. The ResAvenue business grew its bookings as well as room nights at a significant pace.

The platforms business put up a buoyant performance in the year under review. In GeM, annual procurement grew three-folds to I173 billion as many government buyers registered and started procuring from the GeM platform and added many products and services on the platform.

During the year under review, we made investments in acquiring strategic stake in select, high-potential companies on one hand, and we divested our stake in the non-core, low-potential businesses on the other hand. We are leaving no stone unturned in capturing all opportunities to drive both organic and inorganic growth.

We broadened our horizons in the international markets during the year by acquiring and collaborating with couple of companies in the Middle East regions. International market currently forms 37% of our consolidated revenues. We are focusing on increasing our international presence, especially in regions where there is significant opportunity for our web services.

Strong operational performance was a precursor to our robust financial show. During the year, our consolidated revenues grew 38% to I11,591 million. Revenues from our web services business grew 77% owing to robust performance of our payments business. Our consolidated EBITDA grew 12.4% compared to previous year. Consolidated Profit After Tax stood at I1,263 million and grew 43% over the preceding year. We are one of the very few profitable digital payments and e-commerce technology companies globally and continue to create value for our shareholders.

The road ahead

We have put in place well-defined strategies to take our Company to the next level. Our key strategic priorities include growing the share of transaction-based revenues, which allows us to scale our financials, deepen our offerings to provide end-to-end solutions across all our business segments, build bespoke solutions to grow the vertical-focused businesses such as ResAvenue and GeM, expand in high-potential and high-growth international markets, and continue to improve our profitability by driving higher efficiencies across all our processes and activities.

Given our leading position, we are well poised to participate in the massive growth of the e-commerce and digital payments market in India. Through our data centre, we will provid high-end digital infrastructure and play a crucial part in driving the next wave of digitalisation in India.

We are committed to embrace the best corporate governance practices in our operations and achieve higher transparency in our operations. To this end, our Board of Directors engages closely with the leadership team and acts as a guiding light to provide course correction, wherever needed.

Before I conclude, I would like to extend my heart-felt gratitude to our talent pool for their unwavering commitment to the organisation. I would also like to thank all our stakeholders, including customers, merchants, partners, and the society at large for their support to us.

We seek your continued trust, confidence, and support. We are confident of adding value and multiplying growth in future.

Best Regards,

Ajit Mehta
Chairman

* Over FY 2017-18

MD's message

USHERING IN THE NEXT WAVE OF VALUE CREATION

₹1,350 million

Payment processed everyday

200

New merchants using payment gateway everyday

Dear shareholders,

Fiscal year 2018-19 was another year of unparalleled, all-round growth and robust profitability for our Company. During the year, we continued to excel in all aspects of our web services, especially digital payments business, to deliver a virtually flawless performance. Our consistent performance has reinstated our faith in our long-term strategies, besides motivating us to progress on our path with renewed zeal and vigour.

A remarkable year

This year marked an important development for our Company as we completed our suite of offerings in the web services business by entering into the infrastructure segment via our data centre in GIFT City, Gandhinagar. By providing data centre as a service, we are looking to equip our payments and platforms businesses to make a smooth transition into the next phase of growth. In this phase, our businesses will need high-speed processing capabilities and robust infrastructure capabilities to handle the increased number of transactions and traffic in a seamless and secure manner for us and the industry.

We believe that blockchain technology will be a game changer for the open and shared digital economy spanning payments, trade finance, KYCs, fraud reductions, clearing, settlements and many more. Accordingly, we have entered into a tie-up with IBM to develop, implement and promote blockchain application and have collaborated with Primechain Technologies to develop cross-border blockchain invoicing platform.

Our other two businesses, namely payments and platforms too performed exceptionally during the year on both operational as well as financial front. In India, more than 90% of the top few merchants processed payments through us, while in the

"We are making the requisite investments in strengthening our people, processes and practices and are looking to capture all the emerging opportunities of both organic and inorganic growth"

UAE, many top retail corporate brands, use CCAvenue payment gateway solution. During the year, we added on an average over 200 new merchants every day on our payments business, doubling the addition in the last two years. This gives us confidence of the demand for digital payments in India and the acceptance and acceleration of this industry.

Our platforms business has further cemented its leading position in the industry by adding many new merchants. We have also seen a rapid growth in the GeM business. Our bill payments platform, which combines the best of both worlds namely online and physical bill payments, recorded healthy growth during the year. Currently, over ₹12.5 million worth of bills are paid every day through our BillAvenue platform and we aim to double this metric as we exit FY 2019-20. Similarly, ResAvenue and GeM businesses carried forward the momentum during the year with ResAvenue business consistently doubling over the last few years and GeM tripling over the last year. We believe this momentum will continue in our platforms business.

As far as our financial performance is concerned, we grew our revenues at a rapid clip but EBITDA margin was affecteld by one-time expenses booked towards the merger with CCAvenue, as well as high competition in this business. Although, excluding other income, EBITDA increased ~13% year-on-year.

On to the next level

We are confident of delivering robust, multi-year and profitable growth across all our businesses in future and are taking all the requisite steps in this direction.

We have adopted a two-fold strategy to grow our payments business. One, expand in international markets by catering to both existing and new merchants. We have made strategic alliances and investments in our payments subsidiary in the UAE and we will spread our wings into the Saudi market in the ongoing fiscal. Second, continue to focus on specific verticals holding immense promise for future.

Continued scaling of our bill payments and GeM segments will fuel future growth of the platforms business. It is our constant endeavour to add more merchants/users within our universe and take this business to greater heights.

The infrastructure business will act as a facilitator in the scale up of our payments and platforms operations, besides providing higher efficiencies across all our functions.

We are making requisite investments in strengthening our people, processes and practices and are looking to capture all the emerging opportunities of both organic and inorganic growth.

As we embark on our future journey, we are confident of evolving into a more responsible, sustainable, profitable and growth-oriented organisation.

I would like to thank our Board of Directors, the entire team of IAL, investors and all other stakeholders for being the constant pillar of support in our journey so far. We are committed to create value for all of you in a responsible manner. Let us all work together to deliver higher value and multiply our growth manifold.

Best Wishes,

Vishal Mehta
Managing Director

Our external environment

THE MACRO OPPORTUNITIES...

Following are the prominent macro enablers for our businesses.

Fast growing cashless economy

Continued emphasis by the Government on reducing the number of cash transactions, along with rising awareness about the benefits of digital payments are transforming the payment habits of Indians. Online payments provide higher convenience to users and the regulators and government are playing a proactive role in building a cashless economy. Together, they have set up a thriving infrastructure to facilitate digital payments to increase cashless transactions. While many people have digital bank accounts, 90% of all retail transactions in India, by volume, are still made with cash. E-commerce revenue growth is more than 25% to 30% per year, yet only 5% of trade in India is done online, compared with 15% in China in 2015 (Source: McKinsey report, Digital India, March 2019). Cashless transactions are expected to rise exponentially in the next two years presenting an enormous growth opportunity for us.

Number of cashless transactions per person in India

2.4	22.4	220
2014	2019	2021

Source: High Level Committee on Deepening of Digital Payments, May 2019

Rise in online shoppers in India

Easy availability of low-cost smartphones, along with sharp decline in data tariffs are catalysing the growth of internet consumption in India. They are taking internet services to the country's hinterlands and straight into customers' hands. Internet users are projected to increase to 835 million by 2023 (Source: McKinsey Report). This has led to rise in the online shoppers paying digitally for their consumption. Digital consumption is permeating into various sectors from entertainment to pharma and general consumption of food and grocery. We are likely to benefit from this trend, and thereby expand the number of users, merchants and transactions rapidly.

Number of online shoppers in India

60 million	475 million
2016	2022

Source: Morgan Stanley, Sep 2017, India's Digital Leap - The Multi-Trillion Dollar Opportunity

Our strategic priorities

...OUR RESPONSE TO THE SAME

Our strategies have been framed after doing a thorough deep-dive into these opportunities and are aimed at capturing them efficiently, by staying ahead of the curve.

Ramp up the share of transaction-based revenues

We have migrated from a transaction-cum-subscription-based revenue model to a largely transaction-based model. Our aim is to grow through the pie of transaction-based revenues as it is more direct in nature and lends high visibility and scalability to our business growth.

Further expand the range of our solutions

In order to make the most of the digital India story, we intend to make our products portfolio more granular in nature. By introducing innovative and bespoke products and solutions, we will be able to further solidify our bond with the customers and gain a significant lead over our competitors. While our existing vertical-focused offerings such as BillAvenue, ResAvenue, GeM and others continue to grow rapidly, we are looking to launch more such verticalised offerings across select, high-potential industries in future.

Number of merchants

<100,000	~350,000	>800,000
FY 2016-17	FY 2017-18	FY 2018-19

Rising use of apps and digital platforms for multiple purposes

Owing to rising consumption of data usage on mobile phones, incremental number of users are switching to various online platforms and apps for performing a wide variety of activities including shopping, booking hotels, paying bills, planning vacations and so on. Number of digital transactions and digital modes of payment have been on an uptrend. India topped globally with 4.8 billion app downloads in between January and March 2019. The India unit of the world's largest online video streaming company turned profitable in its first year of operations, showing increasing trends of usage of online services in India.

Smartphone penetration in India

300 million
2017

700 million
2020

Source: Morgan Stanley, Sep 2017, India's Digital Leap - The Multi-Trillion Dollar Opportunity

Low online presence of small and medium enterprises offering significant potential

The large base, nearly 60 million, of MSMEs in India, as per The Confederation of All India Traders (CAIT), can use the online payment solutions and e-commerce platforms to reach out to a vast pool of consumers in India and even globally. Digital MSMEs grow revenues and profits upto 2x faster than offline counterparts. Indian MSMEs are still not using the full potential of digital tools. There is a vast addressable market to whom we can offer our web services.

Only 2% of Indian MSMEs actively use online channels for business while 30% are engaged and connected but not actively doing business online

Source: KPMG Google report 2017, Analysis of ITOPSTM Business 2016/ITOPSTM Business 2015 and primary data collected by Kantar IMRB

Expand in select, high-potential international markets

In a world which is rapidly embracing digitalisation and revamping its businesses accordingly, we want to expand our wings beyond India. We believe there is immense scope to scale up our business in emerging markets like Arab League countries, North Africa and Eastern Europe, among others; where digital transactions are still lower and cash predominantly rules purchases.

Number of merchants

Lower number of online merchants in both India and the Middle East and North Africa (MENA)

Enhance profitability and cash flows

Our team has always kept an astute eye on profitability and operational efficiencies. The culture of efficiency is imbibed in our practices and we are committed to improve our profitability and cash flows consistently. Besides making us a better company, such approach also means that we will remain self-sufficient and generate steady growth capital for future.

Maintaining sound financial health

Cash flow from operations have grown by more than 15 times over the past three years

Business review: Payments

POWERING INDIA'S CASHLESS ECONOMY

Our payment business, through our brand CCAvenue, is one of India's oldest and premier online payment gateways, established in the year 2001. We are a B2B player and our payment solutions allow businesses to accept payments through various online modes. CCAvenue is one of India's largest direct debit engine with over 240 payment options to process payment transactions in real time. All our solutions offered are SaaS-based, multi-channel, multi-lingual and multi-currency, allowing us to launch our payment solution in any geography in the world. We have payment operations in India and the UAE and are soon launching in Saudi Arabia. We are compliant with PCI DSS 3.2.1, the world's latest safety standard.

Our strengths and value proposition for merchant clients

- Real-time processing
- Neutral payment gateway having one of the highest payment options
- Associated with ~58 banks to process net banking
- Associated with most debit and all credit cards
- Maximum EMI and digital wallet options
- Allows payments through UPI platform
- State-of-the-art fraud and risk identification system
- White label payment gateway for banks; e.g Kotak Bank AllPay

Some of the key payment solutions, **apart from payment gateway**, are as follows

B2Biz payments

It automates, streamlines and simplifies business collections and payments via multiple payment modes. It accelerates cash flow, improves efficiency and saves cost.

CCAvenue SNIP

Our Social Network In-stream Payments (SNIP) allows to sell products and collect payments in-stream across social networks like Facebook, WhatsApp, Twitter, Pinterest, etc. instantly.

Invoice payments

This solution allows to automatically create and send itemised, recurring and bulk invoices in multiple currencies.

Subscriptions

This solution allows to create an automated and customisable subscription plan and collection of recurring payments through multiple payment modes.

We are among the top online payment gateway service providers in India, in terms of revenue market share and among a handful of profitable (Profit After Tax) digital payment companies. We rank second in the UAE in terms of payment processing.

Addressable market size and opportunity

- India's digital payments industry is likely to grow 31% annually from 2017 to touch $1 trillion by 2023 **Source:** Credit Suisse
- Among non-cash payments, digital payments to contribute 37% by 2025 compared to 13% in 2015
  Source: Google BCG study, Digital Payments 2020
- High-level committee on digital payments appointed by RBI is targeting 220 transactions per month by March 2021
- In India, cashless transactions per person increased 5x over the past five years to 22 in 2018, compared to 34 in Indonesia and 782 in Singapore in 2017
  Source: Report of High Level Committee on Deepening of Digital Payments, appointed by RBI, May 2019
- Digital retail to increase its share of trade from 5% currently to ~15% by 2025
  Source: Google BCG study, Digital Payments 2020

Target segment

- Merchants of all sizes as well as large corporates, brands and banks

Revenue model

- Transaction-based revenue model

Outlook

- Expect to process payments worth I750-1,000 billion in FY 2019-20, with an aim to double every year
- Grow merchant base and enhance reach across India
- Expand and increase market share in the UAE and Saudi Arabia
- Explore other high-growth markets
- Explore credit lending online

POWERING INDIA'S CASHLESS ECONOMY

CCAvenue
Key Clients in India

Story in numbers

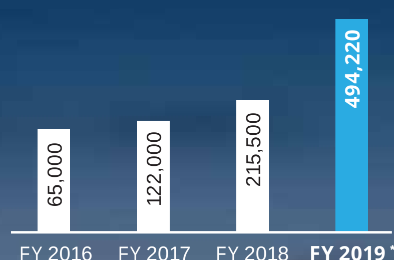
125 million+
Annual transactions

₹1,350 million
Payments processed daily

70%
Of India's e-merchants use our online payment processing services

90+ of the top 100 e-merchants
in India process online payments using CCAvenue payment gateway

Successful payments processed (₹ million)



* Includes payments processed worth AED 1.2 billion in the UAE

Identifying opportunities

We made investments in high-growth opportunities in select markets and businesses.

Vavian International (now CCAvenue UAE)

It is an online payment solutions provider based in Dubai and serving the UAE. We acquired Vavian International for a consideration of $1.2 million and re-branded it as CCAvenue UAE. We believe it will help us expand in the Middle East and South Asia markets significantly. It ranks number 2 in the UAE in terms of payments processed, Vavian International has long-standing and time-tested relationships with its customers. It counts marquee brands such as Emaar, Damac, Tejari, At The Top - Burj Khalifa and others among its customers. ⓘ Page no. 22-23 Given that value per transaction is much higher in the Middle East as compared to India, this business will also aid our margins in future.

Key statistics

1 million
Annual transactions

AED 1.2 billion
Payments processed in FY 2018-19

Rank 2nd
In the UAE

50%
Estimated growth in payments processed in FY 2019-20 based on current run rate

Avenues Payments India Private Limited

The company offers ready platforms to banks for cross-border payments through its two main brands, namely remitguru and remitonline. These are white-label platforms empowered with blockchain technology and provide high-end plug-and-play solutions to banks. We have invested in this company right from its launch and are confident of driving robust growth in the future. This business will enable us to gain and expand a strong foothold in the remittances segment globally.

Key statistics

50x
Growth in cross border payments, y-o-y

44x
Growth in volume, y-o-y

>50%
Growth in daily GMV in FY 2019-20 versus full FY 2018-19

>75%
Expected annual growth in GMV in FY 2019-20

Instant Global Paytech

It operates through the brand 'Go Payments' to provide services such as money transfer, mobile recharges, bill payments and travel booking, among others. We bought 48% stake in the company for a consideration of ₹ 60 million in cash. Through this acquisition, we will strengthen our offline payments business and cater to the underserved, unbanked and underbanked population of over 700 million largely across Tier-II and Tier-III markets in India.

Key statistics

2500
Agents onboarded in four months serving lakhs of customers

12x
Growth in monthly transaction value four months after launch

Em-POWERING DIGITAL PAYMENTS IN THE UAE

CCAvenue UAE

We are among the leading non-bank payment solutions provider in the UAE. We have over 500 clients, including many reputed companies and brands. Some of them include

- Sobha Middle East
- 6Th Street
- Brandsforless
- Fitness First
- Hilton Hotels
- Risxos Bab Al Bahr
- Radisson Blu
- Habtoor Grand Resort Autograph
- La Perle By Dragone
- Trump Golf
- Rehlat
- Ezeego1
- Cozmo Travels
- Cox & Kings
- Vfs Global
- Udrive
- Al Tayer Motors
- 800Tickets
- Tasleem Billing
- Qatar Insurance
- Middlesex University
- Manipal University

Soon, launching services in Saudi Arabia

Business review: Infrastructure

UPPING THE DIGITAL GAME

Data centre

During the year, we forayed into the segment of infrastructure or data centre-as-a-service and have built a state-of-the-art data centre in Gift City, Gandhinagar. This centre will enable us to run applications at super-fast speed in a highly secured environment. It has received Tier-III design certification from Uptime Institute as it is equipped with fully redundant and dual-powered servers, storage, network links and other IT components. It is designed to have an uptime of 99.98% (no more than 95 minutes of downtime per year).

By setting up this data centre, we have multiplied our capability to provide increased efficiency adaptability in search processes, provide faster, more user-friendly user interfaces, and deliver effective, bespoke, personalised and more relevant search results to our customers. This centre will also empower us to better control our proprietary technology and customer information, better manage customer and market analytics, ensure superior confidentiality and also provide disaster recovery support infrastructure. It will serve as a data centre for us and we will also open it for storage and compute services to third parties.

We are looking to migrate the entire data of our platforms as well as payments businesses from other cloud service providers to this data centre soon.

Our data centre at a glance

Distinct features

- First IBM LinuxONE in India to run public cloud services
- First production ready blockchain platform in India running on HyperLedger
- Partnered with Primechain Technologies to develop cross-border blockchain invoicing platform exclusively for our data centre

Activities to be used for

- Act as public cloud to meet demand for IaaS, SaaS, PaaS and DBaaS among enterprise customers in India
- Develop cross border blockchain invoicing platform
- Meet increased demand for cloud service
- Cater to the increased need for data security and data localisation due to regulatory requirements

Target industries/groups

- Banking, financial services and insurance (BFSI)
- Pharmaceuticals
- Information Technology
- Manufacturing
- Education
- Government
- Semi-Government
- Importers
- Exporters
- And more ...

Dot triple O domain

We, IAL, are the first internet registry in India to launch a generic, top-level domain 'dot triple O'. This domain has been accepted by leading global domain registrars such as CentralNIC (UK), Bigrock (India), Superregistry (Canada), Key-System (Germany), 101domains (USA), EuroDNS (Luxembourg), Goodluck Domains (USA), Comlaude (UK), Net Technologies (China), and Reseller Club (India). They are making the '.OOO ' domain available to customers around the globe. This broad-based acceptance reflects the immense potential in store for the domain.

This business is based on a combination of subscription-based pricing and transaction-based revenue model.

Customer value proposition of dot triple O domain

- Provides merchants with a unique brand name for their business
- Acts as an advertisement platform to enable businesses build strong affiliate network
- A single online solution comprising .ooo domain, e-commerce platform for large enterprises, payment solutions and various ancillary web services support
- Offers 10GB storage space, free email, discount offers, a powerful wallet and a free '.OOO' domain

This business enables us to provide enhanced value to our patrons, improve customer loyalty and garner higher wallet share from them. Many marquee companies have embraced the .ooo domain and we are witnessing healthy additions in this business.

~324,000
Total .ooo registrations

~100,000
Affiliates registered

Total domain names in India are a fraction of other larger countries around the world and represent a vast opportunity for leading domain businesses.

High potential to grow domains business in India

Country	Number of domain names (in million)
USA	117.8
China	23.7
India	5.4
Worldwide	351.8

Source
Verisign, RegistrarOwl.com updated as of February 2019

Business review: Platforms

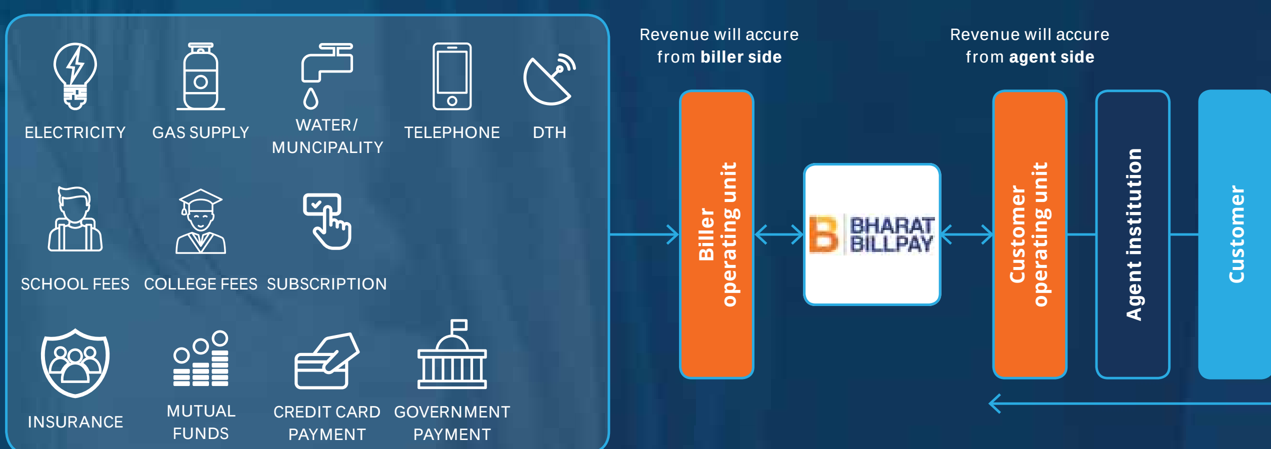
CONNECTING INDIA

BillAvenue®

BillAvenue is a unified, interoperable, online bill payments platform built on the Bharat BillPay System (BBPS) infrastructure, which is developed by the National Payments Corporation of India (NPCI). It offers an 'anytime, anywhere' bill payment facility to customers across India through a network of agents via multiple payment modes, including cash with instant confirmation of receipt of payment. BBPS aims to facilitate a less-cash society through migration of bill payments from cash to electronic channel. We are licensed by the Reserve Bank of India (RBI) to operate as a Bharat Bill Payment Operating Unit (BBPOU) and are among a handful of non-bank private players to get this licence.

BillAvenue allows us to foray into bill payments where we had negligible market share previously. We have been building a series of strategic partnerships with billers, as well as with agent institutions across the country to offer an end-to-end bill payment solution. On one hand, we collaborate with billers to fetch bills and digitise them for electronic presentment to customers. On the other hand, we onboard agent institutions that offer numerous customer touchpoints for bill payments at a local level. Currently, BillAvenue is fetching bill payments through its vast agent institution partners having a significant network across many towns and cities in India. We are largely targeting vast offline customer base unlike most other peers.

BillAvenue process chain



Strengths and value proposition

- Deep web-based CRM with simple interfaces for agent institutions
- Single and simple integration
- Instant payment receipt
- Wide network
- Guaranteed settlement cycles
- Customer support

Target segment

- Online and offline agent institutions, billers

Addressable market size

- ~200 million bills to be generated daily by FY 2019-20 as per an RBI study
- A billion consumers across India and majority of them still make bill payments in cash
- BBPS is looking at expanding the number of channels and number of biller categories
- BBPS will soon add nearly 2 million agents across India to further expand bill payments network
- NPCI plans to enrol agent institutions – money transfer agents, business correspondents, common service centres and co-operative banks

Revenue model

- Transaction-based revenues
- We earn a fixed amount of fee from both billers and agent institutions, and a percentage fee on DTH connections

Outlook

- Double the agent network to over 1 million in the next four to five years
- Double the towns and cities covered to 5,000 across India in the next four to five years
- Double the value of bills processed every year

Few agent institutions on-boarded

Key billers on-boarded

BillAvenue: story in numbers

₹ 12.5 million
Daily bill processing

144
Agent institutions

23
Billers

500,000+
Live agents

2,600
Indian cities and towns covered

CONNECTING INDIA

ResAvenue®

Our hospitality platform brand, ResAvenue, provides customised services to the hotel industry. The platform is a complete Central Reservation System (CRS) for hotel reservation and distributes hotel inventory, integrated with our digital payment solutions. The platform has multilingual capabilities to serve multi-lingual Indian and international customers of the hotel. It is a SaaS-based solution, fully hosted booking engine that integrates into a hotel's branded website seamlessly. Hoteliers can collect real-time payments through ResAvenue's booking engine, hosted IVR and via email/SMS invoices. The electronic distribution platform ensures distribution of rates and inventory on major OTAs and third-party distribution channels, all managed through a single window. We have over 1,000 hotels live on the platform across India and the UAE. We have tied up with leading Online Travel Agents (OTAs) for distribution of our clients' hotel inventory.

The ResAvenue process chain

Strengths and value proposition

- Provides end-to-end services covering hotel and packages booking, stay enrichment booking, social media booking, discounts & promotions, payment solutions and invoice payments
- Offers high-end, technologically-driven channel management solutions
- Gives value-added services such as rate/inventory management, bulk updates, room mapping, competitor analysis, room-rate linkage, allocation alerts, reports & analytics, yield management and many more

Target segment

- Three star and above hoteliers and certain hotel chains in India and the UAE

Addressable market size

- A projected annual inventory of over 43 million room nights, ~120,000 daily, by FY 2020-21, for branded hotels, considering India's average occupancy rate of 70% (Source: CARE Ratings)
- Only 17% of hotel bookings are made online in India compared to 45-50% in developed countries, 40% in China, 20-30% in other emerging Asian markets (Source: BCG Google Study, June 2017)

Revenue model

- A mix of subscription-based and transaction-based revenues

Outlook

- Double the number of hotel properties using our solution to 2,000 in FY 2019-20

ResAvenue Caters to marquee hospitality players

Hilton Hotels & Resorts	DoubleTree by Hilton	DAMAC Hotels & Resorts	Sheraton Sharjah	Habtoor Palace Dubai
Habtoor Grand Resort Autograph Collection Hotels	V Curio Collection by Hilton	Carlton Downtown	Radisson Blu	Xclusive Group of Hotels
Astoria & Ambassador Hotels Dubai	Raviz Center Point Hotel	Metropolitan Hotel Dubai	Tulip Hotel Apartments	Zaya Nurai Island Abu Dhabi
Two Seasons	Millennium Hotels and Resorts	Tulip Creek Hotel Apartments	XVA gallery art hotel & cafe Dubai	sharaftravel
The Acacia Jakarta	Courtyard Marriott	WelcomHeritage	Poppys Hotel	Tanei Group Hotel
Rithy Rine Angkor Residence	MKA Mekong Angkor Palace	Beyond by Sula Haven Amongst the Vines	Myra Hotels and Resorts	The Golkonda Resorts & Spa
The Palms Town & Country Club	Swosti Group	Spice Tree Munnar	Old Kent Estates & Spa	INDeco

Story in numbers

1,000+
Hotels

>110% ↑
Annual room nights & booking amount

1,500+
Room nights booked every day

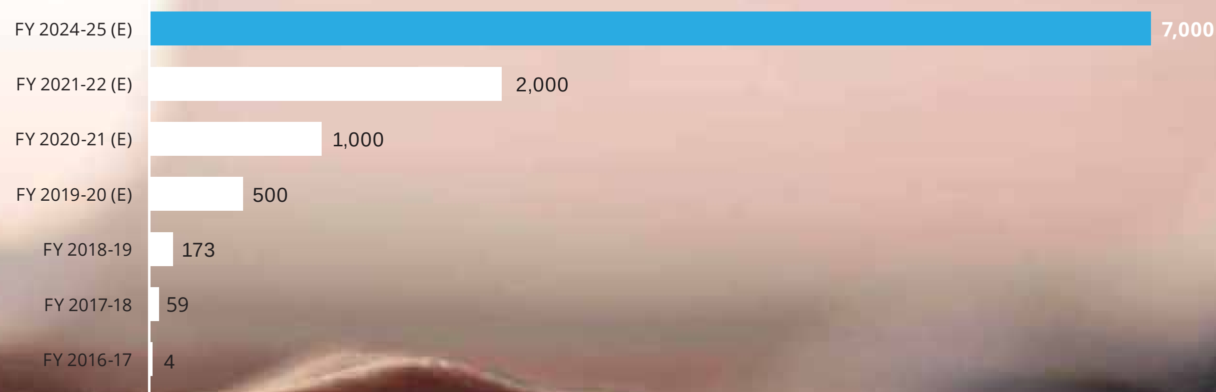
Integrated with major OTAs

↑ 3 year CAGR

CONNECTING INDIA

	E-commerce platform for Enterprise	Government eMarketplace (GeM)
Overview	▸ A B2B cloud-based e-commerce platform ▸ Can cater to diverse set of large corporations and government enterprises	▸ Built using our enterprise platform, GeM is the national public procurement portal of the Government of India ▸ Completely paperless, cashless and system-driven e-marketplace with minimal human interface
Customer value proposition	▸ Provides enterprises with a modular, customised and personalised online store with payment solutions and other support ▸ Access to multiple online sales channels ▸ The stores are scalable and can implement large number of transactions ▸ Provides advanced hosting and technology infrastructure, search engine optimisations, affiliate marketing and other marketing tools	▸ Offers a standardised and enriched catalogue management, powerful search engine, real-time price comparison, template-based bid and reverse auction creation, demand aggregation, e-EMD, e-PBG, user rating, advanced MIS and analytics, among others ▸ Provides multi-cart functionality and more services with bid and reverse-auction facility ▸ Can be accessed from web and mobile ▸ Increases transparency and reduces time and costs
Target segment	▸ Large corporations and government enterprises	▸ Central and state governments, government agencies and PSUs globally
Revenue model	▸ Transaction-based revenue model	▸ Linked to the gross merchandise value or procurement value on GeM ⓘ Page no. 31
Outlook	▸ Healthy additions of merchants to continue	▸ Procurements growth pegged at minimum 50% in FY 2019–20

Annual procurements on GeM
(₹ billion)



Source:
www.gem.gov.in , Livemint , Business Line , ET
(E): Estimated

Business updates

During the year, we entered into two strategic alliances to make greater inroads in the UAE.

Formed an agreement with UAE-based ALROWAD Technologies wherein both companies will share knowledge and expertise to develop a multi-currency and multi-country e-commerce marketplace. Together, we will build a payment platform and offer data centre services. Alrowad has implemented large-scale projects in the UAE to provide digital solutions for UAE Civil Defence, including permits and monitoring.

We sold a 51% stake in our UAE subsidiary to **Dubai-based investment firm - UniPropitia** group for a consideration of $25 million. The latter has invested in multiple technology companies across the Middle East and the Arab League and will enable us to expand into the 22 member Arab League countries.

Divestments

FOCUSING ON THE CORE

We undertook significant consolidation during the year and decided to focus on our core businesses of PIP. Our intent is to grow each of these three businesses and optimise allocation of resources such as capital and management bandwidth in future. For reference, our core businesses of web services enable digital transactions and include digital payments, data centre infrastructure and e-commerce technology platforms for government and enterprise clients.

In sync with this strategy, our Company gave up control and / or divested its stake in three fully owned subsidiaries that were mainly focused on online e-commerce marketplace under the URL (infibeam.com), product retail and system integration as well as platform solutions to small and medium enterprises.

Infinium India Limited (IIL) deal

Under this deal, we divested 100% stake in IIL to Ingenius E-commerce Private Limited for a consideration of ₹ 600 million. The latter owns and operates B2B aggregator portal, which is the world's first global e-distributor of industrial goods. It is a leading integrated supplier of food & agriculture, chemicals, pharma, polymers & additives and other industrial raw materials globally.

NSI Infinium Global Private Limited (NSI) deal

We divested NSI to Suvidhaa Infoserve (Suvidhaa). Under the deal, Suvidhaa bought 5% stake with control in NSI for ₹ 250 million in Q3 FY 2018-19, further increasing its stake to 6.41% in Q4 FY 2018-19 and will gradually shore up its stake in NSI to reach majority. The deal values infibeam.com at ₹ 5,000 million and will provide Suvidhaa access to the company's supply-chain related merchants. Through this deal, we will be able to leverage the physical retail locations of Suvidhaa, achieve last-mile connectivity and delivery throughout India. We aspire to create an omni-channel e-commerce model, which combines the offline and online segments and is more connected to the entire supply chain (including retail).

Infibeam Global EMEA FZ-LLC deal

Under the deal, Dubai-based investment firm, UniPropitia group, has acquired 51% ownership in our subsidiary for a consideration upto $25 million. This deal will facilitate our expansion across several Arab League countries.

Awards and Accolades

RECOGNISED FOR OUR EXCELLENCE

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

Consumer Durable & E-Retail of the Year Award
E-Retail Award 2018 by Franchise India

Best Digital Payments company
BFSI Awards 2019 by Governance Now

The Best Digital Payment Facilitator
Reach Acceptance Awards 2019 by Mastercard

Best eCommerce Payment Innovation
E-Retail Awards 2019 by Franchise India

Best Marketing Technology Combination
Martech Leadership Awards 2019 by Kamikaze & Zendesk

Risk Management Team of the Year
ERM World Awards 2019 by Transformance Forums

Best Digital Payment Facilitator
The Drivers of Digital Summit 2018 by Inkspell

Best Online Payments Facilitator
UAE Business Awards 2019 by MEA

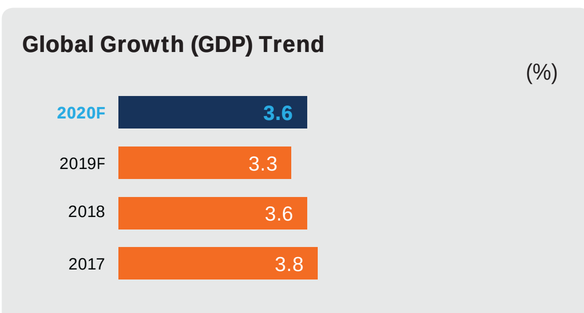
Fastest Growing Online Service Provider in UAE
The International Finance Awards 2018

MANAGEMENT DISCUSSION AND ANALYSIS

A. ECONOMIC ENVIRONMENT

GLOBAL

Global economic growth slowed to 3.6% in 2018 (Source: IMF), as weak financial market sentiments, heightened US-China trade tensions, macroeconomic issues in Argentina and Turkey and volatility in crude prices weighed heavily on the second half of the year. The US was an outlier among advanced economies, with its GDP expanding by 2.9% during the year versus 2.2% in 2017, driven by a strengthening US dollar ($), neutral unemployment rate and low inflation. China and the Eurozone slowed to 6.9% and 1.8%, respectively, largely due to sluggish domestic demand.



F = Forecasted

Source: International Monetary Fund, World Economic Outlook, April 2019

Outlook

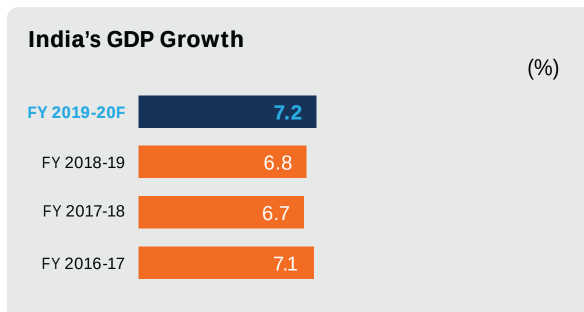
Although downside risks remain, global economic growth could witness an uptick in the second half of 2019 as major economies maintain an accommodative policy stance on the back of potential downward adjustments to inflation expectations. Moreover, the dovish stance could trigger an inflow of capital into emerging and developing economies, thereby improving investor and consumer sentiment, especially in China and India. China has already ramped up its fiscal and monetary stimulus to counter the negative impact of trade tariffs.

INDIA

India, the world's sixth largest economy, was one of the fastest growing major economy in FY 2018-19. An increase in private investments, robust gross capital formation and improved exports, along with strong momentum in private consumption and steady construction activity bolstered the country's economy.

Retail (CPI) and wholesale inflation (WPI) remained in low single digits for most part of the year. Consequently, the Reserve Bank of India (RBI) reverted to a 'neutral' stance from 'calibrated tightening' (briefly adopted between October and December 2018). The RBI cut the repo rate by 25 basis points in its last policy review of FY 2018-19 to strengthen the economy and improve liquidity in the system. Fiscal deficit was contained to 3.4% (slightly above the 3.3% target) due to the Government of India's prudent measures, despite being in an election year.

The Indian rupee (INR) remained tepid for most part of the year and hit a low of 74.48 against the US dollar due to volatile oil prices, improving US yields, and outflows from domestic markets.



F = Forecast

Source: CSO, RBI

Key Macro Growth Enablers

- Favourable demographics (young, aspiring population, thriving middle class) are likely to propel India's consumption story
- A stable and reform-focussed policy framework will drive business and investment
- Continued government impetus on formalising the economy to aid prospects of organised players

Outlook

India's economy is expected to grow at 7.2% in FY 2019-20, as the impact of wide-ranging reforms such as Goods and Services Tax (GST) and Housing for All by 2022, pursued in the past two to three years, becomes fully visible. This, in turn, should drive consumption and investments in the country. Another reason for this stable growth is India's low exposure to a slowdown in global manufacturing trade vis-à-vis other major Asian economies and emerging markets.

B. INDUSTRY INSIGHT

Growth in internet services in India and its adoption, acceptance and acceleration globally in the last decade, and especially in the last three to five years, has led us to focus and offer our services through the internet comprising, Digital Payment Solutions, Cloud Infrastructure and E-Commerce Technology Platform. We believe, going forward, more and more services will be made available through the internet which will increase the demand for our Web Services.

Internet services have grown rapidly in India over the past few years and this momentum is likely to continue in future as well. With over half a billion internet subscribers, India is well poised to become the second largest internet services market in the world by 2034 (Source: IBEF report). A young and aspirational population, growing per capita income, rising penetration of smartphones and internet are the key enablers for growth of internet services. Favourable government policies and regulatory push towards growing awareness and adoption of digital platforms will play a prominent role in driving growth of internet services in the country. Number of cashless transactions per person in India has grown rapidly from 2.4 in 2014 to 22.4 in 2019 and is likely to grow ten-folds to 220 in the year 2021 (Source: High Level Committee on Deepening of Digital Payments, May 2019). More and more consumers are preferring to use digital platforms for services across fintech, healthcare, education and payments domains, in turn, driving demand for internet services.

The internet services sector comprises all businesses that use internet as the primary medium for generating revenues such as e-commerce, e-travel and ticketing, hotel booking, food-tech, digital advertising, fintech, digital payments, digital classifieds and so on.

Key Growth Drivers of Internet Services in India

1. **Increasing internet penetration**
2. **Rising disposable income**
3. **Growing use of smartphones**
4. **Higher proportion of young population**
5. **Rising adoption of digital payments**
6. **Higher affordability of new technologies**
7. **Rapid urbanisation**
8. **Growing availability of localised online content**

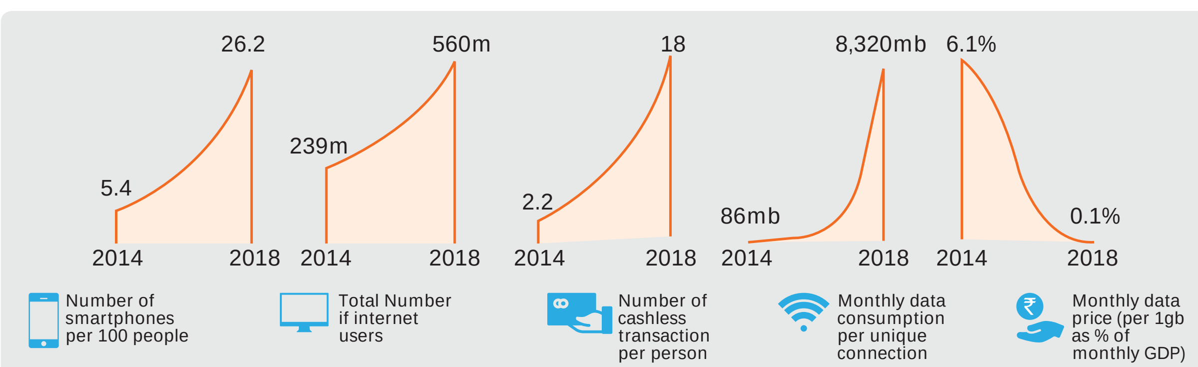
Size of the internet services sector in India is estimated at ~$34 billion and is projected to grow at a CAGR of 17.7% between 2017 and 2022 to reach $76.4 billion. Among the internet users globally, India consumes highest amount of internet data. Currently, only 40% of India's population uses the internet, indicating a huge potential to further ramp up internet penetration. This will drive the consumption of our web services.

Below we will share insights about the industry we operate in, which we believe is slated for high growth for many years. We believe, we are best positioned to take the advantage of the growth that is expected in the regions where we have operations leading to strong financial performance.

Digital Payments

India is dominated by cash-based transactions. However, Indian consumers are gradually accepting digital payments platforms and apps. Rising internet penetration, growing number of smartphones, drastic fall in data usage charges, increasing online shoppers paying digitally, demonetisation, innovation in digital payments in India around safe and instant transfer through UPI and IMPS, vast array of digital payment options for customers to choose from, MDR waiver on Debit Card transactions up to a certain amount, government initiatives to make India a cashless economy, are some enablers to the growth of digital payments in India.

Digital usage in India : All set for exponential growth



Source: McKinsey Report, March 2019

As per the McKinsey Report, core digital sectors in India have the potential to more than double by 2025 to $ 435 billion from $ 170 billion currently.

MANAGEMENT DISCUSSION AND ANALYSIS

As per Payment System Indicators (PSI) data published by RBI, payment transactions through mobile banking has increased from 0.17 billion in FY 2015 to over nearly 6.1 billion transactions in FY 2019, and the value of the transaction during the same period has increased by nearly 28x to ` 28.75 trillion (approximately over $400 billion). Moreover, the growth in volume and value of mobile banking transactions in FY 2019 over FY 2018 was 206% and 86% respectively, amounting to growth of 4.1 billion transactions worth ` 13.3 trillion (approximately $191 billion). Growth in value of mobile banking transactions is also nearly 3.7x higher that the growth in Debit and Credit Card point of sale (POS) transactions in the last one year. This is one of the main reasons why we have chosen to be an online digital payments company and not focus on POS or offline payment transactions.

Volume of Mobile Banking in India in FY 2018-19

6.1 billion

35x over FY 2014-15

Source: RBI, NPCI

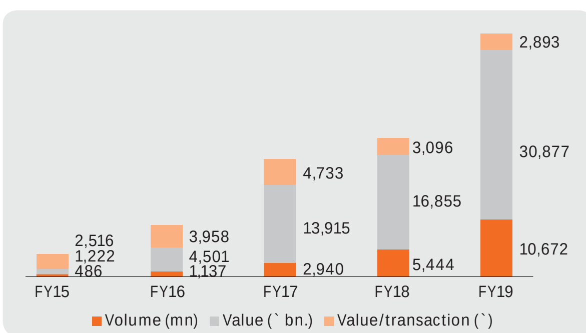
Value of Mobile Banking in India in FY 2018-19

28,745 billion

28x over FY 2014-15

Source: RBI, NPCI

Digital Payments* in India: 5-year Trends

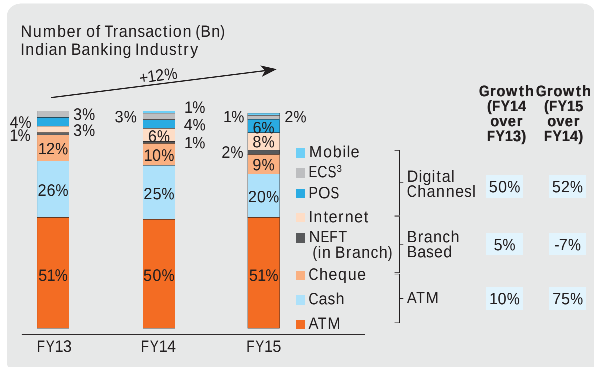


* m-Wallet + PPI Cards + Mobile Banking

Source: RBI, NPCI

Based on a BCG Google report released in July 2016, Digital Payments 2020: The making of a $500 billion ecosystem in India, the growth in digital channels has been the highest and continues to grow at 50% YoY and post-demonetization it has been even more. As per the report, mobile and internet based transactions increased from 3% of all the digital transactions in FY 2013 to 9% in FY 2015.

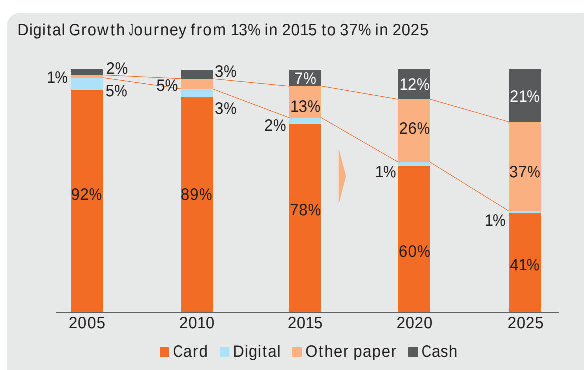
We believe, the mobile and internet based transactions, would have significantly increased by FY 2019 based on the trends observed in the PSI data sourced from the RBI. We also believe that, excluding all P2P (person to person) transactions, we would be processing a high single digit percentage of all online digital transactions, in terms of value of digital payments, in India.



Sources: FIBAC Productivity Survey 2015; RBI; IBA; BCG analysis.

1. ATM/CDM includes withdrawals transactions at ATM and deposit transactions at CDMs. ATM and Mobile transactions included are financial transactions only.
2. Traditional channels include Cash and Cheque. Cash transactions refer to counter cash transactions within branch.
3. ECS transactions can be initiated offline or through online channels but once set up.
4. E-commerce transactions to include electronic transactions using debit and credit cards

Also, as per the report, by 2025, digital payments percentage of transactions is expected to grow taking on the bulk of the growth, not just in terms of existing but also new growth, from 13% to projected 37% by 2025.



Sources: BCG Analysis, Euromonitor Passport, 2015.

1. Digital includes electronics payments direct/ACH, mobile based payments etc.

$500 billion will flow through digital payments in India by 2020

	Payment Destination		
USD billion	Person (P/C)	Merchant/ Business (M/B)	Government (G)
Payment Initiation — Person (P/C)	• Remittances - Domestic - migrant labor remittances - International • Seamless P2P transfers - Friends, family, etc. • Digital micro payments - Payments for services **56**	• Online merchant payments - E-comm, utility bills, etc. • Proximity payments - In-store payments - Cash on delivery • Travel and transport **224**	• Road toll • Tax • Payments for applications • Payments to semi government organizations such as educational institutions **12**
Merchant/ Bus (M/B)	• Salary payments for daily contract workers • Reimbursements • Refund payments • Dividends **4**	• Digital supply chain payments (Small business to business) - Retailer to distributor - Dealer payments etc. • Vendor payments **178[1]**	• Taxes • Excise duty payments • Toll payments **9**
Govt. (G)	• DBT (Subsidy transfers) • Welfare scheme money transfers e.g. NREGA • Government employee salary **17**	• Subsidies • Tax repayments	• Central government to state government transfers • Budget allocation payments to government agencies

Currently G2B and G2G kept out scope due to limited mobile uptake in future

Source: BCG Analysis

● Represents $ billion

1 include only SME transaction and not large corporate.

In the industry, digital payments comprise, P2P payments and P2M (person-to-merchants or person-to-business). As per the report the industry size is expected to reach $500 billion by 2020 and majority of the digital payment ecosystem will be of P2M worth $224 billion (see chart above). We operate in the P2M space and we consolidate as an aggregator various online payment options and all the companies that provide P2M payments. So we provide the entire offering both to merchants as well as to users.

Despite the fast growth of digital payments in India, about 70% of total transactions in value terms and 90% of transactions in volume terms are still made via cash mode. This indicates that there is still immense scope to grow digital payments in future. Given the size of the opportunity of digital payments in India, projected by various reputed institutions, from $500 billion in 2020 to $1 trillion by 2023, we believe, with our presence in digital payments industry in India for nearly two decades and connectivity with most of the web merchants in India, we have a significant opportunity to grow.

We also have digital payments business in the UAE where we rank second in terms of payments processed. UAE, like India, has traditionally been a cash market. We are also opening up a new office in Saudi Arabia where cash as a percentage of GDP is above 35%. The Middle East region is opening up to digital transactions and there is a significant opportunity for us to tap in digital payments.

We believe there is a potential for us to double the payments processed every year from approximately ₹ 500 billion we processed in FY19 to ₹ 1 trillion in FY 2020 to ₹ 4-5 trillion in the next few years. This can significantly increase our revenues and improve our profits margins, generating strong cash flows.

We are very well positioned to be able to take on more as we keep on building up scale through our expansion in India and in international markets & through our investments in high growth opportunities involving cross border remittances and payments and offline payments for unbanked and underbanked.

Global trade remittance market is estimated to be around $1.5-3.0 trillion as per various market research reports. Global P2P remittance market was $689 billion in 2018 as per 'The World Bank 2018, Migration and Remittance brief #30'. We expect, our Investee Company, Avenues Payments India Pvt Ltd, to process around $5 billion in FY 2020 from $2 billion in FY 2019.

Our investee company, Instant Global Paytech Pvt Ltd (IGPL), known by the brand-name 'Go Payments' through technology deployment, enables access of digital payment platform for unbanked and underbanked population of over 700 million across India including Metro cities. IGPL offers money transfer, mobile recharges, bill payments, travel booking, insurance, and is planning to include many other financial services. In less than 6 months of operations, 'Go's' transaction volume has already increased 12x signifying huge potential in the offline market.

Bill Payments Industry

Indian government in its endeavour to increase digital payments realized that utility payments was the key to be able to generate digital transactions. So they created a standardized platform where they are pooling all utilities and service providers to come on to a single platform, the Bharat Bill Payment (BBPS) platform, so that consumers across the country can pay for all utilities and services including taxes from a single window.

Bill payments through Bharat BillPay is an initiative by RBI headed by NPCI to bring all billers, namely utility, aqua, telecom, DTH, taxes, credit cards, insurance, goods and colleges across the country under one roof for ease of convenience for customers to pay their bill in a single window without going to multiple places to pay multiple bills. Large part of these bills are today paid offline. While the industry is talking about online payments, bill payments are still paid largely offline. The most important part of this initiative is that it is not limited to online channels but also allows to accept cash at millions of convenient physical touch points across India, which is the addressable market for us.

MANAGEMENT DISCUSSION AND ANALYSIS

We have been awarded a license by RBI based on certain criteria to function as an operating unit under the BBPS connecting both billers and the customers. As an operating unit under the BBPS there are only about nine to ten private players who have a license, we are one of them.

In India, as per RBI study, more than 100 million bills got generated daily in 2013, and it is expected to increase to 200 million daily by 2020. As per a report by KPMG, there are over 3.6 million PNG connections, over 6 million active DTH connections, over 1 billion mobile connection including pre-paid and post-paid. On an average the TRAI says that there are nearly a billion pre-paid cards in the country doing average of two transactions of ` 125 (approx. $1.75) every month, which translates to daily value ` 2 billion (approx. $28 million) worth of recharge transactions every month that will potentially come on BBPS soon. Then there are broadband customers, power bills, utility bills which are currently under BBPS and will soon include insurance, municipal taxes, other taxes, school and college admission and examination fees, credit card payments, and many other categories. During the year, NPCI announced its plans to expand the number of channels for bill payments, add new biller categories and grow the number of agents to reach the hinterlands in India and increase penetration of digital bill payment mechanisms. This will open multiple growth avenues for private players focussed on digital bill payments. So the gist is that a consumer through one single outlet on any street will be able to pay all kinds of bills not only through his app online, but also offline by paying through an agent network across India.

This is where we are focussing to allow a consumer to pay bills across India through our vast agent network. We have 110 agent institutions out of 170 listed on NPCI's website that are live with us. More than 30 agents have given their consent letters to work with us. We are in the final stages to onboard them once the KYC process is complete. These agent institutions are connected with over half a million agents in 2600 towns and cities across India interacting with collectively with millions of customers on a daily basis. This is a far larger addressable market for us than what is targeted collectively by most of the other BBPS players. These BBPS players are largely targeting online users. We have gone after the offline network.

Currently, over ` 12.5 million worth of bills get paid through us daily through our BBPS platform, BillAvenue, which we aim to double every year. We earn both from billers as well as agents who we have on-boarded on a per transaction basis. We are adding new services, including recharge, which is already live, domestic money transfer and many financial products to double our growth.

Healthy Prospects for Digital Bill Payments in India

	2013	2020E	CAGR growth (%)
Bill payments by value (` billion)	1,593	3,920	14%
Bill payments by volumes (million)	1,560	3,380	12%

Source: KPMG

E: Estimated

C. REVIEW OF THE BUSINESS

Operational Performance Review

Payments Business

- The number of payments processed by us grew 129% y-o-y in FY 2018-19, owing to higher transactions from existing merchants and strong addition of new clients, including few large merchants
- Average daily merchant additions stood at 200 during the year, an increase of 50% on a y-o-y basis

Bill Payments Business (BillAvenue)

- Average amount of bills processed daily stood at ~` 12.5 million
- We had over 5,00,000 active agents and 23 billers across 2,600 locations in India
- 75% agent institutions listed on the NPCI website are live on this platform
- We are adding 34 more agent institutions to take the total count to 144
- We entered into many partnerships with offline agent institutions, which form a larger addressable market than their online counterparts

ResAvenue Business

- Generated bookings worth ` 5,967 million for our hotel clients, a y-o-y growth of 50%
- Sold over 700,000 room nights through our platform; tripled in two years

GeM Business

- Annual procurement grew three times over the preceding year to ` 173 billion
- Over a million products and nearly 12,000 services made available
- Nearly 250,000 registered sellers & service providers on the platform
- 23 states and 6 Union Territories have signed MoUs to procure goods & services from GeM
- Number of users grew 186% in calendar year 2018

- Increased the volumes by 772% and value by 599% in calendar year 2018
- Delivered savings of ~25% on an average across categories

Other Highlights

- Launched our digital payments business in the Middle East by acquiring Vavian International and re-branding it as CCAvenue UAE
- Collaborated with IBM, Primechain Technologies to develop varied platforms around blockchain, cloud computing and others for our upcoming data centre in GIFT City, Gujarat, India
- Formed a strategic alliance with ALROWAD Technologies to expand payments and platforms business in the Middle East and Africa
- Acquired 48% stake in Instant Global Paytech to increase offline presence in India with an addressable market of over 700 million Indians
- Robust growth in Avenues Payments, an investee company that offers cross-border payments platform to users and white-labelled for banks with blockchain technology
- Sold 51% stake in UAE subsidiary to UniPropitia group to grow in various Arab league countries
- Divested stake in non-core businesses, namely, Infibeam marketplace and Infinium (India) Limited

Financial Performance Review

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

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019. For additional information, see 4.22 of summary of significant accounting policies.

Liquidity and Capital Resources

Cash flow information is as follows (in millions):

Cash provided by (used in) (consolidated):	Year ended March 31 2019	2018
Operating activities	3,081.11	973.20
Investing activities	(2,219.55)	(159.41)
Financing activities	(543.22)	(967.64)

Our principal sources of liquidity are cash flows generated from operations and our cash and cash equivalents were ` 1,317.17 million and ` 1,583.06 million as of March 31, 2019 and 2018 respectively.

Cash provided by operating activities was ` 3,081.11 million in year ended March 31, 2019 as against amount of ` 973.20 million in year ended March 31, 2018.

Our operating cash flows result primarily from cash received from our consumer and merchants, offset by cash payments we make for products and services, employee compensation (less amounts capitalised related to software that are reflected as cash used in investing activities), payment processing and related transaction costs, operating leases, etc. Cash received from our customers and other activities generally corresponds to our net sales.

The increase in operating cash flow in March 31 2019, compared to the comparable prior year period, was primarily due to the increase in net income, excluding non-cash charges to net income such as depreciation, amortisation, and stock based compensation, and changes in working capital.

Cash utilised in investing activities corresponds with cash utilised in capital expenditures, primarily due to investment in GIFT City building, Computer Software and Equipments, Components for Data Centre buildout, and other tangible assets. Cash utilised in investing activities was ` (2,219.55) million, and ` (159.41) million in FY 2019, and 2018 respectively. This primarily reflects additional investments in support of continued business

MANAGEMENT DISCUSSION AND ANALYSIS

growth due to investments in technology infrastructure, and additional capacity to support our operations. Stock-based compensation capitalised for internal-use software and website development costs does not affect cash flows.

Cash utilised for financing activities was ` (543.22) million and ` (967.64) million in FY 2019 and 2018 respectively. Cash outflows from financing activities is primarily result from repayment made towards borrowing, purchase of Treasury Shares by Trust and payment of Interest on borrowing.

We believe that cash flows generated from operations and our cash and cash equivalents will be sufficient to meet our anticipated operating cash needs for at least the next 12 months. However, any projections of future cash need and cash flows are subject to substantial uncertainty.

We believe, from time to time, we shall consider the acquisition of, or investment in, complementary businesses, products, services, capital infrastructure, and technologies, which might affect our liquidity requirements or cause us to secure additional financing, or issue additional equity or debt securities. There can be no assurance that additional credit lines or financing instruments will be available in amounts or on terms acceptable to us, if at all.

Results of Operations (consolidated)

Revenue from operations

Revenue from operations include service and product sales. Service sales represents Digital Payment and Checkout Web Services, E-Commerce Related Web Services and Product sales represent revenue from the sale of products.

Service sales comprises revenue from providing complete, simple and secure online payment gateway and checkout web services, with a real-time transaction validation process and platforms. This enables e-commerce websites to sell products and services online, and accept payments in real time. And 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.

Product sales primarily include sale of various categories of products through online multi-brand retail trading activity by web portal using B2B and B2C verticals.

Net sales information is as follows (in millions):

Revenue from operations:	Year ended March 31	
	2019	2018
Sale of services	9,529.74	5,387.61
Sale of products	2,026.08	2,979.56
Other operating income	34.87	26.01
Consolidated Revenue	11,590.69	8,393.18

We are pleased to deliver substantial growth in revenue resulting to ` 11,591 million in FY 2019 (` 8,393 million in FY 2018), registering growth of 38%. What is particularly pleasing, is that, contribution of service revenue to total revenue has almost doubled. We are successful in rising our business in service segment by reporting revenue of ` 9,530 million and catering to larger number of merchants. Service revenue has grown by 76% in comparison to FY2018 contributing 82% in FY 2019 compared to 64% in FY2018.

The sales growth in each year primarily reflects increased sales, including addition of merchants. Increased sales were driven by its core web services comprising platforms and payments businesses and scale through transaction-based revenue model. We have over 800,000 merchants across our web services compared to less than 100,000 we had in FY 2017. We processed payments worth nearly ` 495 billion (including AED 1.2 billion processed through our Middle East business), four times higher compared to just ` 120 billion in FY 2017. We rank second in India in Payments business in terms of profitability in our segment. Procurement on Government e Marketplace (GeM) platform, increased three times in FY2019 to over ` 173 billion compared to procurements in FY 2017, where we earn on the value of procurement of each transaction.

Operating Expenses (consolidated)

Information about operating expenses is as follows (in millions):

Operating expenses:	Year ended March 31	
	2019	2018
Payment gateway processing charges	3,928.69	1,785.43
Cost of sales	2,025.76	2,878.81
Employee benefits expense	735.96	558.88
Finance costs	64.50	57.26
Depreciation and Amortisation expense	822.08	664.34
Other expenses	3,138.38	1,602.94
Total expenses	**10,715.37**	**7,547.66**

Payment gateway processing charges:

It primarily consists of those costs incurred in operating online payment gateway with a real-time transaction validation process. Processing charges as a percentage of net sales 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 ` 3,929 million in FY 2019 as against ` 1,785 million in FY 2018.

Cost of Sales

Cost of sales primarily consists of the purchase price of products. We divested this business last year so in coming quarters, the cost of sales will not reflect as part of our financials.

Employee benefits

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.

We have reported employee cost of ` 736 million in FY 2019 as against ` 559 million in FY 2018 resulting into marginal decrease of 0.30 % of consolidated revenue. The increase in cost is in view of new recruitment, increment, grant of stock options and other benefits. During FY 2019, ` 77 million (` 139 million in FY 2018) capitalised in view of internal-use software enhancement / upgradation and website development costs.

Finance Costs

Finance cost primarily consist of Interest on long term and short term borrowing as also on account of delay in payments of statutory dues. The expenses have remained same as % of total revenue primarily due to higher borrowing cost and its related processing charges.

Depreciation and Amortisation

There is a marginal decrease of 0.8% in Depreciation and Amortisation as a % of total revenue as compared to previous year primarily due to addition of intangible assets. Addition of assets consists of computer software, buildings, computer equipment's, vehicle and other tangible assets purchases occurred during the year. Depending upon the nature of assets, useful life and economic benefit out of them, the same are being amortised over a period.

Other expenses

Advertising expenses

We direct our customers to our several website properties primarily through a number of targeted online marketing channels, such as our sponsored search, email marketing campaigns, direct sales, and other initiatives. Our sales promotion expenses are largely variable, based on growth in sales and changes in rates. To the extent there is increased or decreased competition for these traffic sources, or to the extent our mix of these channels shifts, we would expect to see a corresponding change in our sales promotion expense.

There is an increase of 10% in advertising expenses as a % of total revenue as compared to previous year primarily due to spends in physical media properties including newspaper, radio as well as online advertisement and other promotional activities.

General and Administrative

The increase in general and administrative costs is primarily due to increases in office expenses, rates and taxes, power and fuel expenses and professional service fees.

Exceptional Items

Exceptional item (net of expense) was ` 472 million during FY 2019. The primary component of exceptional item is Profit on sale/disinvestment of subsidiaries ` 483 million and Loss on sale of investment in associates ` (10.75) million. These are exceptional since this are not regular business activity and one of odd transactions.

Profit

Profit before tax was ` 1,535 million for FY 2019 compared to ` 1,152 million in FY 2018 with a strong growth of 33%.

Profit after tax was ` 1,263 million for FY 2019 compared to ` 881 million in FY 2018 with a solid growth of 43%.

Majority of the profit of the company is due to focus on its core web services comprising platforms and payments businesses and scale through transaction-based revenue model.

Key Financial Ratios (Consolidated)

Ratios	FY 2018	FY 2019
Return on Net Worth *	9.9%	11.9%
Return on Invested Capital *	9.0%	8.4%
Debtors Turnover days	36.1	21.3
Inventory turnover days #	12.9	-
Interest Coverage Ratio $	15.8x	14.6x
Current Ratio	2.0x	1.3x
Debt Equity Ratio *	0.07x	0.04x
Operating Profit (EBIT) Margin	10.8%	8.1%
Net Profit Margin	10.5%	10.9%

* Net of goodwill
# Zero inventory in FY 2019
$ EBIT / Interest expense

MANAGEMENT DISCUSSION AND ANALYSIS

Guidance

These forward-looking statements reflect Company's expectations as at March 31, 2019, and are subject to significant uncertainty. Our results are inherently volatile and may be materially affected by many factors, such as fluctuations in foreign exchange rates, changes in global economic conditions, world events, the rate of growth of the Internet, online commerce, and cloud services.

In the past 3 years, we have been doubling our digital payment processing business YoY. Last year, we processed around ` 495 billion crore in digital payments processing (vs. ` 215.5 billion in FY18 and ` 122 billion in FY17). In upcoming three years, we hope to continue growing this business at high double digit to three digit growth rate. The Company records average revenue of 100 to 125 bps on processing volume while EBITDA margins on average are around 15 bps. If the business volume continues to grow at the same CAGR for coming three years, this business can generate annual revenues of ` 40 billion to ` 50 billion per year with EBITDA of ` 5 billion to ` 6 billion in upcoming 3 years. With additional processing volumes from existing merchants, growing payments across new categories like utility payments as well as international expansion into multiple countries, we shall work hard to deliver on these numbers.

On the platform business, it is reasonable to assume that the Company targets to earn EBITDA margins of around 10 bps on transaction volume. GeM (Government e Marketplace) is the largest implementation on the platform. For reference, GeM clocked over ` 173 billion for the year. This year, based on public information, GeM is expected to target ` 500 billion to INR 1000 billion. Assuming doubling of transaction volume YoY, the Company can target annual EBITDA margins of ` 1 billion to ` 2 billion in upcoming three years.

Our data center infrastructure business will be able to host both payments and platform business resulting in lowering of our expense and allowing both the business to scale. We plan to offer data center as a service to clients who want hosting, compute and storage. It is reasonable to assume that this business can reach annual EBITDA of ` 300-500 million in upcoming 3 years.

D. RISK FACTORS

Our business is subject to various risks. We are highlighting some of the key risks. You should carefully consider these risks and all other information in the Annual Report. Any of these risks could adversely affect our business, operating results, financial condition and prospects.

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 startups, 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 programs 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 favorable terms;
- the success of our service line and geographic 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, e-commerce, electronic devices, and web services, in the regions we operate and where we plan to expand;
- timing, effectiveness, and costs of expansion and 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 & 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, customizable 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, and as we plan to grow in many more international locations. 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

MANAGEMENT DISCUSSION AND ANALYSIS

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. **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, e-commerce, 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.

7. **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.

8. **Our business could suffer if we are not successful in growing our investments & 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 amortization 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.

9. **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 customized APIs 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.

10. 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 authorize 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.

11. 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 the 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.

12. 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.

13. 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.

14. The proper functioning of our 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

MANAGEMENT DISCUSSION AND ANALYSIS

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.

15. **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.

16. **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.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have an adequate system of internal controls in place with documented policies and procedures covering all financial and operational functions. These controls have been designed to provide a reasonable assurance to maintaining proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorised use or losses, compliances with regulations. We continue to align all our processes and controls with global best practices.

Some significant features of the internal control of systems are:

- The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems, their compliance with operating systems, accounting procedures and policies at all locations of Infibeam Avenues Limited (IAL). Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas, and thereby strengthen the controls. Significant Audit observations and corrective actions thereon are presented before the Board.
- Documentation of major business processes and testing thereof including financial closing, computer controls and entity-level controls, as part of compliance programme and as required by the listing requirements are conducted. We also maintain a comprehensive information security policy and undertake continuous upgrades to our IT systems.
- Detailed business plans for each segment, investment strategies, year-on-year reviews, annual financial and operating plans and monthly monitoring are part of the established practices for all operating and service functions.
- A well-established, independent, multi-disciplinary internal audit team operates in line with governance best practices. It reviews and reports to management and the Audit Committee about 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, duly approved by the Audit Committee; and anti-fraud programmes, including whistle blower mechanisms are operative across IAL.

The Board takes responsibility for the overall process of risk management throughout the organisation. Through an Enterprise Risk Management programme, our business units and corporate functions address risks via an institutionalised approach aligned to IAL's objectives. This is facilitated by internal audit. The business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management. The risk management committee reviews business risk areas covering operational, financial, strategic and regulatory risks.

During FY 2018-19, we conducted 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, 2019 is effective.

G. HUMAN RESOURCES

Employees are the primary drivers of our Company's strategies and success. We are committed to provide our people a conducive, safe and nurturing work environment. With this objective, we have put in place a well-defined code of conduct and promote adoption of fair business practices by our employees. We have adopted a fair and objective performance management system, which ties performance of goals of the employees with that of the organisation. We have proper appraisal mechanisms in place to identify and reward best performing employees and offer attractive compensation packages, which are linked with employee performance. Further, our Company undertakes regular and comprehensive training programmes to equip employees with latest skills and hone their entrepreneurial spirit. We have a focussed approach towards addressing all capability gaps and preparing our employees to adapt to the fast-changing external environment swiftly. Overall, we enjoy high brand equity as an employer and are capable of adding and retaining highly talented people. IAL had over 650 permanent employees as on March 31, 2019.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ajit Mehta	Chairman
Mr. Vishal Mehta	Managing Director
Mr. Malav Mehta	Non-Executive 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. Malav Mehta	Member
Mr. Keyoor Bakshi	Member
Mr. Piyushkumar Sinha	Member*

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Ajit Mehta	Chairman
Mr. Malav Mehta	Member
Mr. Roopkishan Dave	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Vijaylaxmi Sheth	Chairman
Mr. Malav Mehta	Member
Mr. Vishal Mehta	Member

RISK MANAGEMENT COMMITTEE

Mr. Vishal Mehta	Chairman
Mr. Ajit Mehta	Member
Mr. Malav Mehta	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
The National Stock Exchange of India Limited

STATUTORY AUDITORS

M/s. Shah & Taparia
Chartered Accountants

M/s. S R B C & Co. LLP
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. April 1, 2019.

Removal of M/s. S R B C & Co. LLP is under process.

NOTICE

NOTICE is hereby given that the **9th ANNUAL GENERAL MEETING** of the members of **INFIBEAM AVENUES LIMITED** *(Formerly known as Infibeam Incorporation Limited)* will be held on Tuesday, July 30, 2019 at 10.30 a.m. at 23rd Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar – 382 355 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt
   a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2019, 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, 2019, together with the report of Auditors thereon.
2. To appoint a Director in place of Mr. Ajit Champaklal Mehta (DIN: 01234707), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Reappointment of Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) as an Independent Director

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 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force, read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Keyoor Madhusudan Bakshi (DIN: 00133588), having consented to accept the appointment, if made, be and is hereby appointed as Non-Executive Independent Director on the Board of the Company, for the second term of 5 (Five) consecutive years with effect from August 25, 2019 to August 24, 2024 (both days inclusive)."

4. Reappointment of Mr. Roopkishan Sohanlal Dave (DIN: 02800417) as an Independent Director

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 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Roopkishan Sohanlal Dave (DIN: 02800417), having consented to accept the appointment, if made, be and is hereby appointed as Non-Executive Independent Director on the Board of the Company, for the second term of 5 (Five) consecutive years with effect from August 25, 2019 to August 24, 2024 (both days inclusive)."

5. Reappointment of Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) as an Independent Director

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 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801), having consented to accept the appointment, if made, be and is hereby appointed as Non-Executive Independent Director on the Board of the Company, for the second term of 5 (Five) consecutive years with effect from March 20, 2020 to March 19, 2025 (both days inclusive).

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018") and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) Non-Executive Independent Director of the Company, on attaining the age of 75 (Seventy Five) years in December, 2023, during the above term of re-appointment, the continuation of such appointment as a Non-Executive Independent Director of the Company on the same terms and conditions of such re-appointment even after attaining the age of 75 years, will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018."

6. **To consider removal of M/s. S R B C & Co., LLP as one of the Joint Statutory Auditors of the Company**

"RESOLVED THAT pursuant to the provisions of section 140 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the "Act") read with Rule 7 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and applicable provisions of relevant SEBI regulations (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other necessary permissions, approvals, consents, as may be required, consents and permissions which may be agreed upon by the Board of Directors and pursuant to the order no. RD (NWR)/Sec 140/64/2019/1427 dated June 7, 2019, issued by Regional Director Office (North-Western Region), Ministry of Corporate Affairs, the approval of the members of the Company be and is hereby accorded for removal of M/s S R B C & Co. LLP (Firm Registration Number: 324982E/E300003), before expiry of the term, from the position of Joint Statutory Auditors of the Company.

RESOLVED FURTHER THAT Mr. Vishal Mehta, Managing Director, Mr. Malav Mehta, Director and Mr. Shyamal Trivedi, Vice President & Company Secretary of the Company, be and are hereby severally authorised to file necessary E- forms pursuant to the provisions of the Companies Act, 2013 and applicable rules thereunder, to represent before any Government / Regulatory authorities on behalf of the Company, reply to the queries raised, and to do all such acts, deeds, things, matters and take all such steps as may be deemed necessary, proper or expedient in the interest of the Company to give effect to this resolution, including but not limited to deciding the time line, manner, extent and executing all necessary declarations, documents, forms, letters, undertakings, and such other papers as may be necessary, desirable and expedient to be agreed, make all such filings and applications for the statutory / regulatory and other approvals as may be required and subsequent modification thereto and to complete the aforesaid transaction and also to take necessary steps in the matter as the Board may in its absolute discretion deems necessary, desirable or expedient and the Board shall also be empowered to settle any questions, difficulties, doubts that may arise in this regard, as it may in its absolute discretion deem fit, and also authorized to delegate power from time to time, to any Committee of the Board or individuals to give effect to this resolution.

RESOLVED FURTHER THAT Mr. Vishal Mehta, Managing Director and/ or Mr. Malav Mehta, Director and/or Mr. Shyamal Trivedi, Vice President & Company Secretary of the Company be and are hereby severally authorised to engage M/s. SPANJ & Associates, Practising Company Secretaries, to verify, certify, digitally sign and submit necessary E- forms with the office of Registrar of Companies in online fling system of MCA on behalf of Company and to represent or file any documents, papers, deeds etc. before any Government Authorities including office of Regional Director, on behalf of the Company and to do all necessary acts as required in this connection."

7. **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**

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 Section 62(1)(b) and its related and applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the Memorandum and Articles of Association of the Company, the circulars/ guidelines issued by the Securities and Exchange Board of India and any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to permissions and approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee of the Board, including the Nomination and Remuneration Committee, which the Board has constituted to exercise certain powers, including the powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to the formulation and implementation of 'Infibeam Employees Stock Option Plan 2019-20' (hereinafter referred to as the "ESOP 2019-20" or the "Scheme") authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include the Nomination and Remuneration Committee and any other Committee(s) constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) to create, and grant from time to time, offer, issue and allot in one or more tranches, not exceeding 3,30,00,000 (Three Crore Thirty Lakhs) Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the Company (present and future), whether working within India or outside India and including Director thereof, whether whole-time or otherwise (other than Promoter or belonging to the Promoter Group, an Independent Director and a

Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the issued and subscribed equity shares of the Company), as may be decided under ESOP 2019-20, exercisable into not more than 3,30,00,000 (Three Crore Thirty Lakhs) Equity Shares of face value of Re. 1/- (Rupee One only) each fully paid-up (or such adjusted numbers for any bonus, or consolidation or other re-organisation of the capital structure of the Company as may be applicable, from time to time) at such price, in such manner, during such period, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board in its absolute discretion and in accordance with the provisions of the law or regulations issued by the relevant Authority and the provisions of ESOP 2019-20.

RESOLVED FURTHER THAT the Equity Shares so issued and allotted under ESOP 2019-20 as mentioned hereinbefore shall rank pari passu with the existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division/undertaking or other re-organisation, and others, if any, the ceiling as aforesaid of 3,30,00,000 (Three Crore Thirty Lakhs) equity shares shall be deemed to be increased/decreased, as may be determined by the Board, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP 2019-20.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are consolidated, then the number of Equity Shares to be allotted and the price payable by the option grantees under ESOP 2019-20 shall automatically be changed in the same proportion as the present face value of Re. 1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such consolidation, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the Equity Shares allotted under ESOP 2019-20 on the Stock Exchanges where the Equity Shares of the Company are listed as per the provisions of the SEBI Listing Regulations, the SEBI SBEB Regulations, and other guidelines, rules and regulations as may be applicable.

RESOLVED FURTHER THAT the Company shall comply with the disclosure and accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable law, rules and regulations and shall use the fair value method or such other method as prescribed from time to time, to value its Options granted.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, implement, administer, interpret, decide upon and bring into effect the ESOP 2019-20 on such terms and conditions as contained in the Explanatory Statement to this item in the Notice, and to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP 2019-20 from time to time in conformity with the provisions of the Companies Act, 2013 and rules made thereunder, the Memorandum and Articles of Association of the Company, the SEBI SBEB Regulations and any other applicable laws.

RESOLVED FURTHER THAT Mr. Vishal Mehta, Managing Director and/or Mr. Malav Mehta, Director and/or Mr. Shyamal Trivedi, Vice President & Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary including but not limited to appointment of Merchant Bankers, Brokers, Registrars, other Advisors, Consultants and all such professionals or intermediaries or agencies as may be involved or concerned and to execute all such documents, instruments and writings or any other agreements or documents, etc., with such agencies and also to seek necessary approvals from SEBI/ Stock Exchanges, Depositories and/or any other relevant statutory authority, if any, as may be required in this connection and to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities, without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors or the Managing Director or Company Secretary of the Company, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

8. 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

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 Section 62(1)(b) and its related and applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the Memorandum and Articles of Association of the Company, the circulars/ guidelines issued by the Securities and Exchange Board of India and any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to permissions and approvals as may be required and such other conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee of the Board, including the Nomination and Remuneration Committee, which the Board has constituted to exercise certain powers, including the powers conferred by this resolution), the approval of the Members of the Company be and is hereby accorded to extend the benefits and coverage of the 'Infibeam Employees Stock Option Plan 2019-20' (hereinafter referred to as the "ESOP 2019-20" or the "Scheme") (referred to in the Resolution under Item No. 7 of this Notice), salient features of which are detailed in the explanatory statement to this Notice, to such persons who are in permanent employment of the subsidiary companies (present and future) of the Company, whether working within India or outside India, including Directors whether Whole-time Directors or not (other than Promoter or belonging to the Promoter Group, an Independent Director and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of the applicable laws and regulations in force, as may be decided by the Board, in the manner mentioned in the Resolution under item No. 7 of this Notice, on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI SBEB Regulations or other provisions of the law as may be prevailing at that time.

RESOLVED FURTHER THAT Mr. Vishal Mehta, Managing Director and/or Mr. Malav Mehta, Director and/or Mr. Shyamal Trivedi, Vice President & Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary including but not limited to appointment of Merchant Bankers, Brokers, Registrars, other Advisors, Consultants and all such professionals or intermediaries or agencies as may be involved or concerned and to execute all such documents, instruments and writings or any other agreements or documents, etc., with such agencies and also to seek necessary approvals from SEBI/ Stock Exchanges, Depositories and/or any other relevant statutory authority, if any, as may be required in this connection and to give effect to the aforesaid resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities, without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors or the Managing Director or Company Secretary of the Company, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

9. Approval pursuant to Section 185 of the Companies Act, 2013

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 Section 185 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and all other rules, regulations, notifications and circulars issued (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time) and the relevant provisions of the Memorandum and Articles of Association of the Company, and in furtherance to the existing loans given, the consent of the Members be and is hereby accorded for grant of loans or issue of Corporate Guarantee or providing Security for an amount upto ` 10 Crore (Rupees Ten Crore only) to DRC Systems India Private Limited and upto ` 5 Crore (Rupees Five Crore only) to Infibeam Digital Entertainment Private Limited, subsidiaries of the Company, on such terms and conditions as may be mutually agreed upon and for their principal business activities.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide the terms and conditions and do all such acts, deeds, things and matters as may be required to give effect to this resolution."

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

Date: June 29, 2019

By the Order of the Board,
For Infibeam Avenues Limited
(Formerly known as Infibeam Incorporation Limited)

Shyamal Trivedi
Vice President & Company Secretary

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of all Special businesses specified above is annexed herewith.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER(S).

   The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Registered Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

3. As required in terms of Secretarial Standard - 2 and 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 in the “Annexure” to the Notice. The Directors have furnished the requisite consent / declarations for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

4. During the period beginning 24 hours before the time fixed for the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of prior notice in writing is given to the Company.

5. Members, Proxies and Authoirsed Representative are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.

6. Corporate/Institutional members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM.

7. The Register of Members and Share Transfer Books of the Company will remain closed on Tuesday, July 23, 2019 to Tuesday, July 30, 2019 (both days inclusive) for the purpose of Annual General Meeting (AGM).

8. 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 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Registrars and Transfer Agents (RTA) of the Company i.e. Link Intime India Pvt. Ltd., 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. Members may also refer to Frequently Asked Questions (“FAQs”) on Company’s website www.ia.ooo.

9. A Members holding shares in physical form are requested to notify/send their email id and bank account details to the Registrar & Transfer Agent (RTA) of the Company i.e. Link Intime India Pvt. Ltd.

10. 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.

11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

12. 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 Registrar & Transfer Agent (RTA) of the Company i.e. Link Intime India Pvt. Ltd. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant. The Nomination Form will be available on the Company’s website www.ia.ooo.

13. 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.

14. The members seeking any information and queries, if any, relating to accounts, are requested to intimate to the Company at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting. Members may address their queries/communications at ir@ia.ooo

15. Members wishing to claim dividend that remain unclaimed are requested to correspond with Registrar & Transfer Agent 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"). 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.

16. 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.

17. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

18. In support of the 'Green Initiative' announced by the Government of India, electronic copies of the Annual Report for 2018-19 and this Notice inter alia indicating the process and manner of Remote e-voting along with Attendance Slip and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Company's website, www.ia.ooo and that of Central Depository Services (India) Limited ("CDSL"), www.cdslindia.com.

19. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are, therefore, requested to bring their own copies of the Annual Report of the meeting.

20. The certificate from Auditors of the Company certifying that the Employee Stock Option Schemes and Stock Appreciation Rights Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed in the General Body Meetings will be placed at the AGM.

21. All documents referred to in the Notice, Explanatory Statement will be available for inspection by members 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 Annual General Meeting.

22. A route map showing directions to reach the venue of the AGM is given at the end of the Annual Report.

23. VOTING THROUGH ELECTRONIC MEANS

(a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions as amended, the Company is pleased to offer the facility of voting through electronic means and the business 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 Central Depository Services (India) Limited.

(b) The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue.

(c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(d) The remote e-voting period commences at 9.00 a.m. on Saturday, July 27 2019 and ends at 5:00 p.m. on Monday, July 29, 2019. 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. July 23, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. 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.

The instructions for shareholders voting electronically are as under:

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders.

(iii) Now Enter your User ID

[a] For CDSL: 16 digits beneficiary ID,

[b] For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

[c] Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

vii) After entering these details appropriately, click on “SUBMIT” tab.

viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x) Click on the EVSN for the relevant INFIBEAM AVENUES LIMITED on which you choose to vote.

xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xiii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xvi) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii) Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login user, would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instructions:

- M/s. SPANJ & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- At the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. E-voting facility will not be made available at the AGM venue.
- The results declared along with the Scrutinizers' Report shall be placed on the Company's website www.ia.ooo and on the website of CDSL i.e. www.evotingindia.com and results shall also be communicated to the Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3

Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) was appointed as a Non-Executive Independent Director of the Company by the members at the 4th AGM of the Company held on September 30, 2014 for a period of five consecutive years commencing from August 25, 2014 to August 24, 2019.

As per the provisions of Section 149 of the Companies Act, 2013 and Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Keyoor Madhusudan Bakshi, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from August 25, 2019 to August 24, 2024 (both days inclusive).

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act. He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of Independent Directors will not be liable to determination by retirement of directors by rotation at the AGM.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the "Annexure" to the Notice.

In the opinion of the Board, he fulfills the conditions for re-appointment as Independent Director as specified in the Act and Rules made thereunder and SEBI Listing Regulations and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Keyoor Madhusudan Bakshi as an Independent Director.

Copy of the draft letter for re-appointment of Mr. Keyoor Madhusudan Bakshi as an Independent Director of the Company setting out the terms and conditions is available for inspection by the members 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, Sunday and Public holiday) till the date of this AGM.

Your Board considers that the Company will benefit from Mr. Keyoor Madhusudan Bakshi's valuable experience, knowledge and counsel. The Board recommends this resolution for your approval.

Except Mr. Keyoor Bakshi, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 4

Mr. Roopkishan Sohanlal Dave (DIN: 02800417) was appointed as a Non-Executive Independent Director of the Company by the members at the 4th AGM of the Company held on September 30, 2014 for a period of five consecutive years commencing from August 25, 2014 to August 24, 2019.

As per the provisions of Section 149 of the Companies Act, 2013 and Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Roopkishan Sohanlal Dave, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for the second term of five consecutive years from August 25, 2019 to August 24, 2024 (both days inclusive).

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act. He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of Independent Directors will not be liable to determination by retirement of directors by rotation at the AGM.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the "Annexure" to the Notice.

In the opinion of the Board, he fulfills the conditions for re-appointment as Independent Director as specified in the Act and Rules made thereunder and SEBI Listing Regulations and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Roopkishan Sohanlal Dave as an Independent Director.

Copy of the draft letter for re-appointment of Mr. Roopkishan Sohanlal Dave as an Independent Director of the Company setting out the terms and conditions is available for inspection by the members 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, Sunday and Public holiday) till the date of this AGM.

Your Board considers that the Company will benefit from Mr. Roopkishan Sohanlal Dave's valuable experience, knowledge and counsel. The Board recommends this resolution for your approval.

Except Mr. Roopkishan Sohanlal Dave, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5

Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) was appointed as a Non-Executive Independent Director of the Company by the members at the General Meeting of the Company held on June 25, 2015 for a period of five consecutive years commencing from March 20, 2015 to March 19, 2020.

As per the provisions of Section 149 of the Companies Act, 2013 and Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Vijaylaxmi Sheth, being eligible for re-appointment as an Independent Director and offering herself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from March 20, 2020 to March 19, 2025 (both days inclusive), who will also attain the age of 75 (seventy five) years on December 12, 2023 during the above term of re-appointment, the continuation of such appointment for 5 years even after attaining the age of 75 years, will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018.

The Company has received declaration from her stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She has also given her consent to continue to act as Director of the Company, if so appointed by the members. She is not disqualified from being re-appointed as Director in terms of Section 164 of the Act. She is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of Independent Directors will not be liable to determination by retirement of directors by rotation at the AGM.

The details required as per the provisions of the Listing Regulations and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the "Annexure" to the Notice.

In the opinion of the Board, she fulfills the conditions for re-appointment as Independent Director as specified in the Act and Rules made thereunder and SEBI Listing Regulations and is independent of the management. The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Vijaylaxmi Tulsidas Sheth as an Independent Director.

A Copy of the draft letter of re-appointment of Ms. Vijaylaxmi Tulsidas Sheth as an Independent Director of the Company setting out the terms and conditions is available for inspection by the members 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, Sunday and Public holiday) till the date of this AGM.

Your Board considers that the Company will be benefited by her re-appointment, as her contribution is likely to be immense for valuable experience, knowledge and counsel. The Board recommends this resolution for your approval as Special Resolution. Her appointment as Independent director would also be towards compliance of provisions of Section 149(1) of the Companies Act, 2013 for having one woman independent director on the Board.

Except Ms. Vijaylaxmi Tulsidas Sheth, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "**PIT Regulations**"), your Company has formulated a Code of Fair Disclosure and Conduct ("**Code**") and a Policy and Procedure for Inquiry in case of data breach of UPSI ("**Policy**"). The Code and the Policy is available on the website of the Company.

As per the provisions of the PIT Regulations, the financial results of your Company, at any time prior to the disclosure to the stock exchanges under applicable laws, would be considered to be unpublished price sensitive information ("**UPSI**"). Further, as per the provisions of the PIT Regulations and other applicable laws, the Company is required to share its financial results with its statutory auditors prior to disclosing the same on the stock exchanges. Accordingly, since the statutory auditors have access to UPSI, the statutory auditors would qualify as "insiders" as per the PIT Regulations and are required to maintain confidentiality of any UPSI in relation to the Company.

Your Company had received an anonymous complaint vide dated February 26, 2019 (received on February 28, 2019) ("**Complaint**") alleging that the quarterly financial results of the Company have been shared with various third parties prior to such results being disclosed to the stock exchanges by one of the Joint Statutory Auditors of the Company, S R B C & Co., LLP, Chartered Accountants, (Firm Reg. No. – 324982E/ E300003) ("**Auditor**") on several occasions.

With the above background, the Board would like to draw your attention to the following:

1. Immediately upon receipt of the Complaint, your Company promptly initiated an internal preliminary investigation. Based on a number of findings from such internal investigation, the Company initiated discussions with the Auditor, and a number of meetings and discussions were held between the management of the Company and the senior audit team members of the Auditor. Additionally, pursuant to a number of written communications, the Company had sought further details pertaining to the sharing of UPSI in contravention of the provisions of the PIT Regulations from the Auditor.
2. In response to the aforesaid written communications, the Auditor, vide email dated April 15, 2019 had informed the Company that it has undertaken an internal investigation, and had admitted that as a part of their preliminary findings, there had been a data breach, wherein financial results of the Company had been shared with one of its clients, who would not qualify as an "insider" under the PIT Regulations. In the said email, the Auditor had further confirmed that the official email accounts of 28 audit team members on the assignment from November 2016 to February 2019 had been examined. Subsequently, the Auditor had confirmed vide their interim investigation report that certain emails containing UPSI, such as the financial statements, including analysis of the Company (or a subsidiary of the Company) have been sent to the personal email accounts of certain team members from their official email accounts.
3. Further, vide email dated April 15, 2019, the Auditor had accepted that during the month of February 2017, one member of the audit team had forwarded certain emails containing UPSI pertaining to the financial statements of the Company to the finance team personnel of the Company, and while forwarding the said email, the concerned audit team member had inadvertently marked a third party, who happened to be the director of another client of the Auditor. In this regard, the Auditor has subsequently admitted that the said email containing UPSI, which had been inadvertently been shared with the third party, had been immediately deleted by the Auditor from the email account of such third party. However, the Auditor had not brought any such incident to the attention of the Company, or any regulatory authority, despite having knowledge of the same.
4. The occurrence of such incident, including the subsequent deletion of the said email without informing the Company (thereby tampering with evidence) clearly demonstrates a lack of internal control in the system of the Auditor. The Auditor is in violation of the confidentiality provisions of the engagement letter executed with the Company, in addition to being in violation of the provisions of the PIT Regulations.
5. The Auditor had submitted the final report of the investigation conducted internally by the Auditor with the Company vide letter dated April 27, 2019 ("**Final Report**"), wherein the Auditor has specified that it is not in violation any applicable law, and there has not been any wilful or fraudulent act on the part of the Auditor, and has denied any wrong doing on its part.
6. The Board of the Company had discussed the Final Report submitted by the Auditor in the Board Meeting held on April 27, 2019, in the presence of the Auditor. Based on the discussions, the Company had communicated the concerns in respect of the Final Report to the Auditor vide email dated May 3, 2019, wherein the Company raised a number of concerns on adequacy and reliability of the system and procedure adopted by the Auditor in conducting

their in-house investigation. In light of the aforesaid, the Board has insisted that the matter should be investigated by a reliable, credible third party.

7. The Auditor has not been able to establish to the satisfaction of the Board that the UPSI of the Company which was shared to the personal Gmail account of the employee of the Auditor as well as a third party has not been forwarded, misused and abused, which includes (but is not restricted to) by way of onward sharing, by downloading across other devices or taking the snapshot of data, despite being given reasonable opportunity to be heard.

8. In addition to the above, the Board of the Company had sought specific indemnity from the Auditor in light of the aforesaid issues and findings, so as to protect the interests of the shareholders of the Company. However, the Auditor has refused to indemnify the Company in this regard.

In light of the above, your Board would like to bring to your notice that the Auditor has shared UPSI in breach of the provisions of the PIT Regulations. Since the Company was in the process of getting its annual and quarterly results audited, it required to share information with M/s. S R B C & Co., LLP, as one of the joint statutory auditors. However, in light of the findings by the Company and the Auditors through the preliminary investigations, including the concerns related to confidentiality and compliance breaches by the Auditors, the Board was of the view that the financial results (or any portion thereof) could not be shared with the Auditors to maintain the confidentiality of the UPSI of the company.

Please note that the Board members have taken up this matter with the utmost seriousness and urgency that it warrants and the Board of Directors in its meeting held on May 5, 2019 has decided to recommend the removal of M/s. S R B C & Co., LLP as Joint Statutory Auditors of the Company (subject to approval of the Central Government and/or the other relevant regulatory authorities and the shareholders of the Company in terms of section 140(1) of the Companies Act, 2013 read with relevant rules framed thereunder) on the grounds of breach of confidentiality and violation of the provisions of the PIT Regulations, by sharing UPSI pertaining to the Company on multiple occasions, thereby leading to a breach of trust and loss of faith in the internal processes and systems.

The Shareholders considered and approved the said matter subject to the approval of the Central Government at the Extra Ordinary General Meeting of the Shareholders of the Company held on May 30, 2019.

The Regional Director Office, (North-Western Region), Ministry of Corporate Affairs, Central Government of India, vide its order no. RD (NWR)/Sec 140/64/2019/1427 dated June 7, 2019 has approved the application under Section 140 (1) of the Companies Act, 2013 made by the Company for removal of M/s. S R B C & Co., LLP, Chartered Accountants, (Firm Reg. No. – 324982E/ E300003) as one of the Joint Statutory Auditors. As per the order, the Regional Director has instructed the Company to re-obtain the approval of Shareholders within the prescribed time limit as mentioned in the Companies Act, 2013 and other applicable rules. In view of the same, the Board of Directors of the Company again recommends the Resolution for the approval of the Members of the Company by way of Special Resolution.

The relevant documents mentioned in the Notice are available for inspection by a Member at the registered office of the Company on all working days (except Saturdays and Sundays) between 11.00 a.m. and 2.00 p.m. upto the date of AGM.

None of the Directors, KMP of the Company including their relatives are financially or otherwise interested or concerned in the resolution.

Item No. 7 & 8

Employee stock options are considered as an effective tool to attract and retain the best talent and also serve to attract, incentivise and motivate professionals and reward exceptional performance.

Towards this end, the Company has proposed to approve and adopt the 'Infibeam Employees Stock Option Plan 2019-20' (hereinafter referred to as the "ESOP 2019-20" or the "Scheme") with a view to attract and retain key talents working with the Company and the Subsidiary Company (ies) of the Company by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability.

The Nomination and Remuneration Committee ("NRC") at its meeting held on June 29, 2019 inter-alia formulated the detailed terms and conditions of the said Schemes which was duly approved by the Board of Directors of the Company ("the Board") at its Meeting held on June 29, 2019, subject to the approval of the Members of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), as amended from time to time, the circulars and clarifications issued thereunder and other applicable laws, including the Companies Act, 2013 ("Act"). Therefore, approval of the Members is being sought for the implementation of the Scheme and grant of Stock Options to the eligible employees of the Company and its Subsidiaries.

Pursuant to provisions of SEBI SBEB Regulations, approval of the Members is being sought for launch of ESOP 2019-20 and for issue of ESOPs to the eligible employees of the Company and its Subsidiaries accordingly as decided by the Nomination and Remuneration Committee / Board from time to time in due compliance of the SEBI SBEB Regulations. The said Schemes shall be in addition to the existing Employee Stock Options Schemes of the Company.

The number of equity shares to be issued and allotted under ESOP 2019-20 will be limited to 3,30,00,000 (Three Crore Thirty Lakhs) Equity Shares of face value of Re. 1/- (Rupee One only) each fully paid-up.

The salient features of the Scheme and various disclosures in terms of the Act, the SEBI SBEB Regulations and the SEBI circular dated June 16, 2015 issued in relation thereto, are as follows:

1. **Brief Description of the Scheme**

   The Company proposes to introduce ESOP 2019-20 for the benefit of the permanent employees and eligible Directors of the Company and its subsidiaries and such other eligible persons as may be determined as per SEBI SBEB Regulations for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. Options granted under the Scheme shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment and issue of equity shares of the Company.

The Nomination and Remuneration Committee (Committee) of the Company shall act as Compensation Committee for implementation and administration of ESOP 2019-20. All questions of interpretation of the ESOP 2019-20 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2019-20.

2. Total number of Options to be granted

The total number of options to be granted under ESOP 2019-20 shall not exceed 3,30,00,000 (Three Crore Thirty Lakh) options. Each option when exercised would be converted into one Equity Share of Re.1/- (Rupee One only) each fully paid-up.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such manner that the total value of the options granted under ESOP 2019-20 remain the same after any such corporate action. Accordingly,

if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 3,30,00,000 (Three Crore Thirty Lakh) shall be deemed to be increased to the extent of such additional options issued.

3. Identification of classes of employees entitled to participate in ESOP 2019-20

Persons who are permanent employees, working in or out of India, of the Company and its subsidiary companies (present and future), as determined by the Board and/or the NRC, shall be eligible for grant of Options under the Scheme.

The following category of persons shall not be eligible for grant of Options in the Scheme:

[a] a promoter or a person belonging to the promoter group, as defined under the SEBI SBEB Regulations;

[b] an independent director;

[c] a director who either by self or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

4. Requirements of vesting and period of vesting

All the options granted on any date shall vest not earlier than one year from the date of grant of options or period more than one year as may be determined by the Committee.

The vesting dates in respect of the options granted under the Scheme shall be determined by the Committee and may vary from an employee to employee or any class thereof and/or in respect of the number or percentage of options granted to an employee. Options shall vest based on continuation of employment and achievement of any performance condition(s), if any, for vesting as prescribed by the Committee.

5. Maximum period within which the options shall be vested

All the options granted on any date shall vest not later than a maximum period as may be determined by the Committee subject to continued employment and achievement of performance conditions, if any, as prescribed by the Committee.

6. Exercise price or pricing formula

The Exercise Price shall be equal to face value of shares i.e. Re. 1 per option or such other price as the committee decides, from time to time.

7. Exercise period and the process of exercise

The exercise period would commence from the date of vesting and will expire on completion of four years from the date of vesting or any other period as may be decided by the Committee from the date of respective vesting of options.

The vested Options shall be exercisable by the employees either in full or in tranches as may be permitted by the Scheme by a written application to the Company expressing his/her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under ESOP 2019-20

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

9. Maximum number of Options to be issued per employee and in aggregate

The maximum number of Stock Options to be granted to any employee shall be decided by the Board or Nomination and Remuneration Committee. However, the number of Stock Options that may be granted to a single employee under the Scheme shall not exceed 0.99% of the paid-up equity share capital at the time of grant of Stock Options (which shall be adjusted in lieu of adjustments/ re-organisation of capital structure of the Company from time to time). The aggregate of all such Stock Options shall not result into more than 3,30,00,000 (Three Crore Thirty Lakhs) Equity Shares which shall be adjusted in lieu of corporate actions, adjustments/ re-organisation of capital structure of the Company from time to time.

During any one year, if grant of options to any employee would be equal to or exceeding 1% of the paid-up equity share capital at the time of grant of Stock Options, separate approval of the Shareholders shall be obtained as per provisions of SEBI SBEB Regulations, prior to such grant.

10. Maximum quantum of benefits to be provided per employee under the scheme

The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

11. Implementation and Administration

The Scheme shall be implemented and administered directly by the Company.

12. Whether the Scheme involves new issue of Equity Shares by the Company or secondary acquisition or both

The Scheme contemplates fresh/new issue of shares by the Company.

13. The amount of loan to be provided for implementation of the scheme by the Company to the trust, its tenure, utilization, repayment terms, etc.

This is not applicable under the present Scheme.

14. Maximum percentage of secondary acquisition

This is not relevant under the present Scheme.

15. Accounting Policies and Disclosures

The Company shall comply with the disclosures and the accounting policies as prescribed from time to time.

16. Method of option valuation

The Company shall adopt the fair value method of valuation of options. Notwithstanding the above, the Company may adopt any other method as may be required under prevailing applicable laws and regulations.

17. The following statement, if applicable: In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ('EPS') of the company shall also be disclosed in the Directors' report.

The said Statement is not applicable to the Company since the Company is opting for the Fair Value Method.

As per the SEBI SBEB Regulations, a separate special resolution is required to be passed, if the benefits of the Employee Stock Option Plan are to be extended to the employees of present or future subsidiary of the Company and such employees be allowed to enjoy the benefits of ESOP 2019-20 in the same manner and subject to terms and conditions as mentioned herein. Accordingly, separate Special Resolutions are being duly proposed for members' approval in item no. 8 for extending the ESOP 2019-20 to employees of the present or future subsidiary companies of the Company.

The Board of Directors of the Company recommend these Resolutions for the approval of the Members of the Company

None of the Directors, KMP of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Scheme.

Item No. 9

The Company is currently in the phase of growth by itself and through its subsidiaries, for which there is an ongoing requirement for funds, loans by the subsidiaries. Also, various loans obtained by subsidiaries require the holding company to provide security or give guarantee for these said loans. Accordingly, in order to meet these funding requirements and ensure necessary compliances of the provisions of The Act, the Board of Directors, hereby proposes to grant loans or provide guarantee/security to these subsidiaries viz, ` 10 Crore (Rupees Ten Crore only) to DRC Systems India Private Limited and upto ` 5 Crore (Rupees Five Crore only) to Infibeam Digital Entertainment Private Limited for their business growth and principal business activities.

In view of the recent amendments to Section 185 of the Act, vide the Companies (Amendment) Act, 2017, no Company shall grant any loan to any person or body corporate or give any guarantee or provide any security to any loan taken by any person or body corporate the Board of Directors whereof are accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company without the prior approval of the Shareholders by means of a Special Resolution.

The Board of Directors of the Company recommend this Resolution for the approval of the Members of the Company

None of the Directors, KMP of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Scheme.

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

Date: June 29, 2019

By the Order of the Board,
For Infibeam Avenues Limited
(Formerly known as Infibeam Incorporation 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 Mehta	Mr. Keyoor Bakshi	Mr. Roopkishan Dave	Ms. Vijaylaxmi Sheth
DIN	01234707	00133588	02800417	07129801
Date of Birth	November 17, 1948	May 31, 1957	August 23, 1955	December 12, 1948
Date of appointment on the Board	June 30, 2010	August 25, 2014	August 25, 2014	March 20, 2015
Qualifications	Bachelor's Degree in Commerce	Bachelor's Degree in Commerce, Bachelor of Law (LLB) and Fellow member of the Institute of Company Secretaries of India.	B.E. (Electronics and Communication), M.B.A., M.Sc. (Health Science) and Ph.D. (Disaster Management)	B.A. (Sanskrit & Psychology) and M.A. (Economics & History)
Experience & Expertise in specific functional areas	Mr. 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 40 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 helps the Company to grow further.	Mr. Keyoor Bakshi is qualified as a Company Secretary having over 40 years of experience in the areas of corporate laws, finance and management. He had rendered professional services to various companies as a Practicing Company Secretary since 1991. His areas of expertise include Corporate Governance, Corporate and Securities Compliance Management, Due Diligence, Mergers, Acquisitions and Takeovers, Public offerings of Securities and appearances before the Company Law Board, Securities Appellate Tribunal and SEBI. He is trained as a Trainer on Corporate Governance by the Global Corporate Governance Forum, a body of the International Finance Corporation of the World Bank. He also served as President of the Institute of Company Secretaries of India during the year 2008 and also as the President of International Federation of Company Secretaries (which has since merged with the Corporate Secretaries International Association) during the year 2009-10. At present, Mr. Bakshi is a Designated Partner of Ardent Ventures LLP which is engaged in identifying, promoting and investing in various business opportunities.	Mr. Roopkishan Dave has over 42 years of experience. His domain expertise incudes Spectrum Management, Information and Communication Technology (ICT), Automation and Control system, Climate Adaptation, and Disaster Risk Management. As a civil servant, Mr. Dave worked with Central and State Governments in various capacities. He also providing consultancy services to National Disaster Management Authority (GoI), Gujarat State Disaster Management Authority (Govt. of Gujarat), Gujarat Info Petro Limited (Govt. of Gujarat Undertaking) and various other agencies working on projects funded by ADB, UNDP, World Bank, USAID etc. Mr. Dave represents on the Advisory committee of various institutions working on disaster risk mitigation, skill development and capacity building. He was also a member in the "Expert Committee" constituted by National Academies of Sciences (www.nas.edu), USA, on Future Alert and Warning System.	Ms. Vijaylaxmi Sheth has over 37 years of experience working for the Government of India in various capacities such as undersecretary in Ministry of Finance, Joint Secretary (equivalent) in Department of Space, Chief Postmaster General, Maharashtra, Uttar Pradesh and Gujarat. She has been featured in Coffee Table Book brought out by Women and Child Development Department, Government of Gujarat.

Particulars	Profile of the Director			
Name of the Director(s)	Mr. Ajit Mehta	Mr. Keyoor Bakshi	Mr. Roopkishan Dave	Ms. Vijaylaxmi Sheth
Remuneration last drawn (including sitting fees, if any)	Please refer to the Corporate Governance Report (Annexure C) as part of Director's Report			
Number of Meeting of the Board attended during the Financial Year (2018-19)	9 (Nine)	9 (Nine)	8 (Eight)	6 (Six)
Names of other Companies in which the Director holds Directorship as on 31.03.2019	1. Infinium Motors Private Limited 2. Infinium Motors (Gujarat) Private Limited 3. Infinium Communication Private Limited 4. Infinity Drive Private Limited 5. Infinium Financial Services Limited	1. Kiri Industries Limited 2. Gokul Agro Resources Limited 3. Saanvi Advisors Limited 4. TTL Enterprises Limited 5. Innovative Tyres & Tubes Limited 6. Cemseal Infraaid Private Limited 7. Ardent Avenues Limited	1. Infibeam Digital Entertainment Private Limited	Nil
Names of Committees of other listed Companies in which the Director holds Chairmanship/ Membership as on 31.03.2019	Nil	**Audit Committee** • Kiri Industries Limited* • Gokul Agro Resources Limited* • Saanvi Advisors Limited • TTL Enterprises Limited • Innovative Tyres & Tubes Limited* **Stakeholders' Relationship Committee** • TTL Enterprises Limited **Nomination and Remuneration Committee** • Kiri Industries Limited • Gokul Agro Resources Limited	Nil	Nil
Shareholding in the Company as on 31.03.2019	3,01,14,780 Equity Shares of ` 1/- each	Nil	1,000 Equity Shares of ` 1/- each	Nil
Relationships between Directors, Key Managerial Personnel and Managers of the Company	**Name of the Director** / **Related to** / **Nature of Relationship** Ajit Mehta / Malav Mehta / Son Ajit Mehta / Vishal Mehta / Son	N.A.	N.A.	N.A.

*Chairman of the Committee

Directors' Report

Dear Members,

Your Directors are pleased to present the 9th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended on March 31, 2019.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2019 is summarised below:

(` In Million)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	5,446.56	3,058.60	11,590.69	8,393.20
Other Income	92.42	269.50	111.27	313.30
Total Income	**5,538.97**	**3,328.10**	**11,701.96**	**8,706.50**
Total Expenditure other than Finance Cost, Depreciation and Tax	4,551.10	2,460.40	9,828.79	6,826.00
Operating Profit / (Loss) before Finance Cost, Depreciation, Tax and Exceptional item	**987.87**	**867.70**	**1,873.17**	**1,880.50**
Less: Finance Cost	46.81	36.80	64.50	57.30
Less: Depreciation and amortization expenses	464.16	432.60	822.08	664.30
Profit / (Loss) before Tax and Exceptional item	**476.91**	**398.30**	**986.59**	**1,158.90**
Add: Exceptional Items	140.00	-	471.81	-
Profit / (Loss) before Tax	**616.91**	**398.30**	**1458.40**	**1,158.90**
Less: Tax	227.68	263.50	271.47	270.60
Profit before share in profit/(Loss) in associate	**389.23**	**134.80**	**1,186.93**	**888.30**
Share of profit / (Loss) of Associate	-	-	76.31	(6.90)
Profit for the period	**389.23**	**134.80**	**1,263.24**	**881.40**
Other comprehensive income/(Expenses) [net of tax]	(4.28)	0.50	1.42	1.70
Items that will not be reclassified to Profit or loss, net of tax	(4.28)	0.50	1.42	1.70
Total comprehensive income/(Expenses) for the period	**384.95**	**135.30**	**1264.66**	**883.10**
Add: Balance brought forward from previous year	(75.81)	(145.64)	442.28	(364.79)
Add / (Less): on account of Consolidation Adjustment	-	-	-	(11.66)
Add / (Less): Share of minority	-	-	6.37	1.10
Profit available for appropriation	**309.09**	**(10.34)**	**1713.31**	**507.75**
Transfer to General Reserve		-	-	-
Transfer to Debenture Redemption Reserve		-	-	-
Excess Losses pertaining to minority		-	-	-
Dividend on Equity Shares	(66.11)	(54.11)	(66.11)	(54.11)
Tax on Dividend	(13.86)	(11.36)	(13.86)	(11.36)
Balance carried over to Balance Sheet	**229.17**	**(75.81)**	**1633.34**	**442.28**

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

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE –

During the financial year 2018-19, net revenue from operations on standalone basis increased to ` 5,446.60 Million as against ` 3058.60 Million in the previous year – a growth of 78%. Expense as a percentage to revenue from operations increased to 84 % (` 4551.10 Million) as against 80% (` 2460.40 Million) in the previous year.

The Profit for the period is ` 389.2 Million against ` 134.80 Million in the previous year – a growth of 189 %.

Net revenue from operations on consolidated basis increased to ` 11,590.7 Million as against ` 8393.20 Million in the previous year – a growth of 38 %. The Profit for the period is ` 1263.1 Million against ` 881.4 Million in the previous year – a growth of 43 %.

3. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2018-19 are prepared in compliance with applicable provisions of the Companies Act, 2013 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. DIVIDEND

In order to conserve the resources for future growth of the Company, the Board of Directors has not recommended dividend for the year ended March 31, 2019.

The details of the unclaimed dividends 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 500 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 in their annual reports and on their websites. Accordingly, the Dividend Policy of the Company is provided as Annexure-A.

The Dividend Distribution Policy of the Company can also be accessed on the Company's website i.e. www.ia.ooo.

5. TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to general reserve.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There have been no material changes and commitments affecting the financial position of your Company between the end of the financial year and date of this report.

7. SUBSIDIARIES & ASSOCIATE COMPANIES

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

Changes in Subsidiaries:

- Infibeam Global EMEA FZ-LLC ceased to be the wholly owned subsidiary of your Company with effect from March 21, 2019.
- Infibeam Global EMEA FZ-LLC, the erstwhile wholly owned subsidiary of your Company, acquired Vavian International Limited, a Company formed and registered in Dubai on July 01, 2018. Vavian International Limited became the Step down wholly owned subsidiary of your Company. Your Company acquired Vavian International Limited from Infibeam Global EMEA FZ-LLC, the erstwhile wholly owned subsidiary on March 21, 2019. Hence, Vavian International Limited became the direct wholly owned subsidiary of your Company. Avenues word FZ-LLC is wholly owned subsidiary of Vavian International Limited hence, it is a step down wholly owned subsidiary Company of your Company.
- Infibeam Global EMEA FZ-LLC, the erstwhile wholly owned subsidiary of your Company, incorporated its wholly owned subsidiary named Richrelevants Limited in British Virgin Islands on October 31, 2018. Hence, Richrelevants Limited became the step down wholly owned subsidiary of your Company. Pursuant to cessation of Infibeam Global EMEA FZ – LLC as wholly owned subsidiary, as mentioned above, the Richrelevants Limited also ceased to be the step down wholly owned subsidiary of your Company with effect from March 21, 2019.
- NSI Infinium Global Private Limited ceased to be the material wholly owned subsidiary of your Company with effect from February 28, 2019. Sine Qua Non Solutions Private Limited is wholly owned subsidiary of NSI Infinium Global Private Limited, hence ceased to be a subsidiary of your Company.
- Your Company acquired 51% stake in DRC Systems India Private Limited, a step down subsidiary, from NSI Infinium Global Private Limited, the erstwhile wholly owned subsidiary. DRC Systems India Private Limited is now the direct subsidiary of your Company with effect from January 19, 2019.
- Infinium (India) Limited ceased to be the wholly owned subsidiary of your Company with effect from January 23, 2019.

Associate Companies:

- Instant Global Paytech Private Limited, a Company incorporated under the Companies Act, 2013, became associate Company w.e.f Janyary 03, 2019.
- NSI Infinium Global Private Limited, a company incorporated under the Companies Act, 1956, became associate company w.e.f March 1, 2019.
- Infinium Global EMCA FZ-LLC, a company registered in Dubai, became associate company w.e.f March 22, 2019.

Pursuant to Section 129 (3) of the Companies Act, 2013 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 subsidiaries and associate in the prescribed form AOC – 1 is annexed to the Directors' Report as Annexure - B and forms 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. www.ia.ooo.

In terms of provisions of Section 136 of the Companies Act, 2013, separate audited accounts of the subsidiary Companies shall be available on website of the Company at www.ia.ooo. The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same. These documents shall also be 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 Annual General Meeting.

8. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 and any other provision of the Companies Act, 2013, read with rules made there under.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Ajit Champaklal Mehta (DIN: 01234707), Director will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment in accordance with provisions of the Companies Act, 2013.

Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) and Mr. Roopkishan Sohalal Dave (DIN: 02800417), the Independent Directors of the Company were appointed for a period of five years on August 25, 2014 and Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801), Independent Director of the Company was appointed for a period of five years on March 20, 2015. Such term of appointment of the Independent Directors shall come to an end on August 24, 2019 and March 19, 2020 respectively. In view of the same, the Board of Directors on basis the recommendation of the Nomination and Remuneration Committee proposed to re-appoint Mr. Keyoor Madhusudan Bakshi and Mr. Roopkishan Sohalal Dave and Ms. Vijaylaxmi Tulsidas Sheth as the Independent Directors of the Company for a second term of five years at the ensuing Annual General Meeting for the approval of the Members by way of special resolution.

Brief details of Directors proposed to be appointed/re-appointed as required under Regulation 36 of the SEBI LODR are provided in the Notice of the Annual General Meeting.

None of the Directors of the Company have resigned from the office of Director of the Company during the year.

The Company has received necessary declaration from all the Independent Directors confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

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 Companies Act, 2013 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 KMP.

10. DIRECTOR'S RESPONSIBILITIES STATEMENT

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

(i) that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) that the Directors had 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 as at March 31, 2019 and of the profit of the Company for the year ended on March 31, 2019;

(iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the Directors had prepared the annual accounts on a going concern basis.

(v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

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

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2018-19, 12 (twelve) 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.

12. NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

This Policy is available on the website of the Company i.e. www.ia.ooo.

13. BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 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 2018-19 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.

14. MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

15. 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 Secretaries on its compliance forms part of this Report as Annexure - C.

16. 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 - D.

17. CHANGE IN SHARE CAPITAL

During the year under review, the Company after obtaining necessary approvals, has allotted:

- 11,98,60,000 Equity Shares of Re. 1/- each on May 30, 2018, to the Shareholders of Avenues (India) Private Limited pursuant to the Scheme of Amalgamation as approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated May 7, 2018. After the issue, the Equity Share Capital of the Company stood at ` 662.64 million.
- 7,48,850 Equity Shares of ` 1/- each on July 6, 2018, 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 ` 663.39 million.

The paid up Equity Share Capital as on March 31, 2019 was ` 66,33,92,240 divided into 66,33,92,240 equity shares of Re.1/- each.

18. CREDIT RATING:

On April 16, 2018, ICRA Limited ("ICRA"), the Credit Rating Agency has assigned long term rating of [ICRAI A+ (Stable) (pronounced as ICRAA plus) with a stable outlook for the purpose of bank facilities of the Company.

The Credit ratings were revised to [ICRA] A on December 10, 2018, due to subdued scaling up of profits in certain business segments.

19. COMMITTEES OF THE BOARD

Details of various committees constituted by the Board of Directors as per the provision of the SEBI Listing Regulations and the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this report.

20. 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 www.ia.ooo.

21. AUDITORS

I. STATUTORY AUDITORS:

M/s. S R B C & Co. LLP, Chartered Accountants (Firm Reg. No. – 324982E/ E300003), were appointed at the Annual General Meeting held on September 15, 2016, as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the Financial Year 2020-21.

Your Company had received an anonymous complaint alleging that the quarterly financial results of the Company have been shared with various third parties prior to such results being disclosed to the stock exchanges by one of the Joint Statutory Auditors of the Company, S R B C & Co., LLP, Chartered Accountants ("Auditor"), on several occasions. Based on the complaint, investigations were made and the due discussions were held with the Auditors on leak of Unpublished Price Sensitive Information ("UPSI"). It was found that certain members of the audit team of the Auditor have shared Unpublished Price Sensitive Information ("UPSI") pertaining to the financial results of the Company in an unauthorized manner, on multiple occasions. The UPSI had been sent to the personal email accounts of certain team members from their official email accounts. Additionally, there have been instances where members of the Auditors' team, have forwarded certain emails containing UPSI pertaining to the financial statements of the Company to third party. The Auditor had not been

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able to establish to the satisfaction of the Board that the UPSI of the Company which was shared has not been forwarded, misused and abused, despite being given reasonable opportunity to be heard. Your Company lost faith in the systems and processes of the Auditor and was of the view that the confidential data and UPSI was not adequately secured with the Auditor.

The Board of Directors in its meeting held on May 05, 2019, had decided to recommend the members of the Company, the removal of M/s. S R B C & Co., LLP as Joint Statutory Auditors of the Company, subject to approval of the Central Government.

An Extra ordinary General Meeting was held on May 30, 2019, for approval of members of the Company for removal of M/s. S R B C & Co., LLP, Chartered Accountants. The members of the Company considered and approved the said matter subject to the approval of the Central Government.

The Regional Director Office, (North-Western Region), Ministry of Corporate Affairs, Central Government of India, vide its order no. RD (NWR)/Sec 140/64/2019/1427 dated June 7, 2019 has approved the application under Section 140 (1) of the Companies Act, 2013 made by the Company for removal of M/s. S R B C & Co., LLP, Chartered Accountants, as one of the Joint Statutory Auditors. As per the order, the Regional Director has instructed the Company to re-obtain the approval of Shareholders within the prescribed time limit as mentioned in the Companies Act, 2013 and other applicable rules. In view of the same, the Board of Directors of your Company again recommends the resolution for the approval of the members of the Company in the ensuing Annual General Meeting by way of Special Resolution.

M/s. Shah & Taparia, Chartered Accountant (Firm Registration No. – 109463W) were appointed as the Joint Statutory Auditor in the 8th Annual General Meeting held on September 29, 2018, for a period of five (5) years to hold office till the conclusion of the 13th Annual General Meeting.

Your Company has received written consent(s) and certificate(s) of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rule issued thereunder (including any statutory modification (s) or re-enactment(s) for the time being in force), from M/s. Shah & Taparia.

- **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 Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

II. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company at its meeting held on May 30, 2018 has appointed M/s. SPANJ & Associates, Company Secretaries, as the Secretarial Auditor to conduct an audit of the secretarial records, for the Financial Year 2018-19.

- **Secretarial Audit Report**
  Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. SPANJ & Associates, Company Secretaries. The said Report is attached with this Report as Annexure – F.

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

22. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with the rules made there under, the extract of Annual Return of the Company in form MGT-9 is enclosed as Annexure - G to this report.

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

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2019, are set out in Note [26] to the Standalone Financial Statements forming part of this report.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) 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.

25. 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 -H 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 (2) and 5 (3) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the Report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company till the date of the ensuing Annual General Meeting during business hours on working days of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

26. 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 is available on the Company's website at www.ia.ooo.

27. INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integrated 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 internal 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.

28. RISK MANAGEMENT

The Company has a Risk Management Policy, which from time to time, is reviewed by the Audit Committee of Directors 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.

29. DETAILS OF EMPLOYEE STOCK OPTION PLANS

During the year, 22,35,896 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 ("SBEB Regulations"). The Company has received a certificate from the Auditors of the Company that the Schemes are implemented in accordance with the SBEB Regulations. The certificate would be available at the Annual General Meeting for inspection by members. The applicable disclosures as stipulated under SBEB Regulations with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.ia.ooo.

30. Employee SAR SCHEME

During the year, 27,96,311 Stock Appreciation Rights ("SARs") were granted to eligible employees of the Company in terms of Infibeam Stock Appreciation Rights Scheme 2017

The Scheme is in line with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("SBEB 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 Annual General Meeting for inspection by members. The applicable disclosures as stipulated under SBEB Regulations with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.ia.ooo.

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

The disclosures to be made under Section 134(3)(m) of the Companies Act, 2013 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. Rationalisation of usage of electricity
4. 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.

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 2018-19	Financial Year 2017-18
Earning in Foreign Currencies	444.59	592.41
Expenditure in Foreign Currencies	17.82	38.06

32. 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 2018-19.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

33. 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 your Company's website www.ia.ooo.

34. 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.

35. 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 and Mr. Roopkishan Dave. Mr. Piyuskumar Sinha, Independent Director was appointed as the member of the Committee w.e.f. April 01, 2019. 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 Companies' subsidiary;
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

36. ACKNOWLEDGEMENTS

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, business associates and all the employees with whose help, cooperation and hard work the Company is able to achieve the results.

The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its shareholders.

For and on behalf of Board of Directors

Place: Gandhinagar
Date: June 29, 2019

Ajit Mehta
Chairman
[DIN: 01234707]

ANNEXURE – A

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Top 500 Listed Companies in India in terms of market capitalization are mandatorily required to formulate a policy for Dividend Distribution and disclose the same on the website of the Company and the Annual Report.

The Dividend Distribution Policy is intended to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth.

2. DEFINITIONS:

2.1 "Board" shall mean Board of Directors of the Company.

2.2 "Companies Act" shall mean the Companies Act, 2013 and rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

2.3 "Dividend" includes any interim dividend.

2.4 "Listed Entity / Company" shall mean Infibeam Avenues Limited (Formerly known as Infibeam Incorporation Limited).

2.5 "Policy" means Dividend Distribution Policy.

2.6 Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and Exchange Board of India, as amended, from time to time.

3. POLICY:

A. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters and internal and external factors –

Financial parameters and Internal Factors:

i. Operating cash flow of the Company

ii. Profit earned during the year

iii. Profit available for distribution

iv. Earnings Per Share (EPS)

v. Working capital requirements

vi. Capital expenditure requirement

vii. Business expansion and growth

viii. Likelihood of crystallization of contingent liabilities, if any

ix. Additional investment in subsidiaries and associates of the company

x. Up gradation of technology and physical infrastructure

xi. Creation of contingency fund

xii. Acquisition of brands and business

xiii. Cost of Borrowing

xiv. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

External Factors:

i. Economic environment

ii. Capital markets

iii. Global conditions

iv. Statutory provisions and guidelines

v. Dividend payout ratio of competitors

B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect Dividend under the following circumstances:

i. Proposed expansion plans requiring higher capital allocation;

ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow;

iii. Requirement of higher working capital for the purpose of business of the Company;

iv. Proposal for buy-back of securities;

v. In the event of loss or inadequacy of profit;

vi. Any of the above referred internal or external factors restraining the Company from considering dividend.

C. UTILIZATION OF THE RETAINED EARNING

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan
- Modernization plan

- Diversification of business
- Long term strategic plans
- to take advantage of any business opportunities
- Replacement of capital assets
- Where the cost of debt is expensive
- Meeting funding requirements of the Subsidiaries in accordance with their long term Business Plans
- Such other criteria's as the Board may deem fit from time to time.

4. POLICY FOR DIFFERENT CLASSES OF SHARES:

The holders of the Equity Shares of the Company, as on Record Date, are entitled to receive dividends. Since the Company has issued only one class of Equity shares with equal voting rights, all the Members of the Company are entitled to receive the same amount of dividend per share. In the event the Company issues in future, any shares with preferential rights over equity shares, the same shall be adhered to in accordance with the terms of such issue.

5. DISCLOSURE:

This policy will be displayed on the website of the Company www.ia.ooo and also disclosed in the Annual Report of the Company as required by the Regulations in force from time to time.

6. AMENDMENTS TO THE POLICY:

The Board at its discretion may vary this policy, from time to time, including the aforesaid parameters and such changes will be updated on the website of the Company and further disclosed in the Annual Reports of the Company.

ANNEXURE – B

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

(` In Million)

Sr. No.	Particulars	1	2	3	4	5	6	7	8	9	10	11	12
1	Name of Subsidiaries	**Infibeam Digital Entertainment Pvt. Ltd.**	**Infibeam Logistics Pvt. Ltd.**	**Odigma Consultancy Solution Pvt. Ltd.**	**DRC Systems India Private Ltd.***	**Avenues Infinite Private Ltd.**	**Vavian International Limited****	**Avenues World FZ-LLC#**	**Infinium (India) Ltd. (upto January 23, 2019)**	**NSI Infinium Global Pvt. Ltd. (upto February 28, 2019)**	**Sine Qua Non Solution Pvt. Ltd. (upto February 28, 2019)**	**Infibeam Global EMEA FZ-LLC (upto March 21, 2019)**	**Richrelevants Limited (From October 31, 2018 to March 21, 2019)**
2	The date since when subsidiary was acquired	November 30,2012	March 31, 2014	February 24, 2014	January 19, 2019	April 01, 2017	March 21, 2019	July 1, 2018	September 10, 2010	July 31, 2010	August 5, 2013	July 17, 2016	October 31, 2018
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.	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.	INR	INR	INR	INR	INR	UAE Dirham Exchange rate as on March 31,2019, 1 AED = INR 18.91	UAE Dirham Exchange rate as on March 31,2019, 1 AED = INR 18.91	INR	INR	INR	UAE Dirham Exchange rate as on March 31,2019, 1 AED = INR 18.91	USD Exchange rate as on March 31,2019, 1 USD = INR 69.44
5	Paid up share capital	42.50	375.10	0.10	13.50	20.00	0.19	1.88	-	-	-	-	-
6	Reserves & surplus	(116.29)	(66.77)	(17.68)	9.84	(21.77)	60.01	(4.87)	-	-	-	-	-
7	Total assets	47.27	441.49	51.25	123.61	0.06	106.80	147.72	-	-	-	-	-
8	Total liabilities	121.06	133.17	68.84	100.27	1.83	46.60	150.71	-	-	-	-	-
9	Investment	-	-	-	-	-	-	-	-	-	-	-	-
10	Turnover	39.34	26.43	295.02	132.69	0.12	-	160.25	599.43	2,283.29	30.39	3,151.58	1,739.41
11	Profit / (Loss) before taxation	(27.02)	(37.41)	(18.13)	0.66	(0.07)	(26.31)	13.18	0.63	36.67	0.44	410.90	268.49
12	Provision for taxation	-	10.63	(4.67)	0.66	-	-	-	0.28	37.00	0.06	-	-
13	Profit (Loss) after Tax	(27.02)	(48.04)	(13.46)	0.00	(0.07)	(26.31)	13.18	0.35	(0.32)	0.38	410.90	268.49
14	% of Shareholding	74%	100%	100%	51%	100%	100%	100%	-	93.59%	-	49%	-

* It was a step down Subsidiary of the Company w.e.f. April 1, 2017 and became a subsidiary w.e.f. January 19, 2019.

** It was a step down Subsidiary of the Company w.e.f. July 1, 2018 and became a subsidiary w.e.f. March 21, 2019.

It was a Subsidiary Company of Vavian International Limited, hence, a step down Subsidiary of the Company.

Note:

1. Name of Subsidiaries which are yet to commence operations – None
2. The shareholding of Infinium (India) Limited has been divested w.e.f. January 23, 2019.
3. NSI Infinium Global Private Limited ceased to be a Subsidiary w.e.f. February 28, 2019.
4. Sine Qua Non Solution Private Limited ceased to be a step down Subsidiary w.e.f. February 28, 2019.
5. Infibeam Global EMEA FZ-LLC ceased to be a Subsidiary w.e.f. March 21, 2019.
6. Richrelevants Limited ceased to be a step down Subsidiary w.e.f. March 21, 2019.
7. Other than above, there are no subsidiaries which have been liquidated or sold during the year.

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

(Rs. In Million)

Sr. No.	Particulars	1		2	3	4
	Name of Associate Company	Avenues Payments India Private Limited		Instant Global Paytech Private Limited (w.e.f. January 3, 2019)	NSI Infinium Global Private Limited (w.e.f March 1, 2019)	Infibeam Global EMEA FZ-LLC (w.e.f. March 22, 2019)
1	Latest Audited Balance sheet Date	March 31, 2019		March 31, 2019	March 31, 2019	March 31, 2019
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	14,400	17,120	36,016
	Amount of Investment in Associates or Joint Ventures	241.03	30.00	60.00	907.88	675.86
	Extent of Holdings (In Percentage)	27.00%	10.37%	48.00%	93.59%	49.00%
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		241.00	40.51	983.40	2,517.52
6	Profit or (Loss) for the Year					
	i. Considered in Consolidation		(5.76)	(2.93)	(20.43)	39.67
	ii. Not Considered in Consolidation		(19.61)	(15.54)	2.28	410.90

Note:

1. Names of joint ventures which are yet to commence operations – NIL
2. Names of joint ventures which have been liquidated or sold during the year – NIL

For and on behalf of the Board of Directors

	Vishal Mehta Managing Director DIN: 03093563	**Ajit Mehta** Chairman DIN: 01234707
Place: Gandhinagar Date: May 30, 2019	**Hiren Padhya** Chief Financial Officer	**Shyamal Trivedi** Vice President & Company Secretary

ANNEXURE – C

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, 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 ("Infibeam" or "the Company") philosophy on Corporate Governance envisages adherence to the highest levels of transparency, accountability and fairness, in all areas of its operations and in all interactions with 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.

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

- 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.

The Company has adopted a Code of Conduct for its employees including the Directors and the Key Managerial Personnel ("KMP"). 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.

BOARD OF DIRECTORS

a) Composition and category of Directors

We believe that our Board needs to 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, 2019, our Board comprised eight members, consisting of one non-executive and non-independent Chairman, two Executive Directors, one non-executive Director and four Independent Directors. The Board periodically evaluates the need for change in its size and composition.

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 Companies Act, 2013 or act as 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. Relevant details of the Board of Directors as on March 31, 2019 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 29-09-2018 Yes / No	Directorship in other listed entity (Category of Directorship)
		Held	Attended		Chairman	Member		
Mr. Ajit Mehta DIN: 01234707	Promoter/ Non-Executive Chairman	12	9	1	0	0	No	-
Mr. Vishal Mehta DIN: 03093563	Promoter/ Managing Director	12	12	6	0	0	Yes	-

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 29-09-2018 Yes / No	Directorship in other listed entity (Category of Directorship)
		Held	Attended		Chairman	Member		
Mr. Malav Mehta DIN: 01234736	Promoter/ Non-Executive Director	12	11	5	0	0	No	1. Gujarat Natural Resources Limited Non-Executive - Non Independent Director
Mr. Vishwas Patel DIN: 00934823	Executive Director	12	3	1	0	0	Yes	-
Mr. Keyoor Bakshi DIN: 00133588	Independent Director	12	9	6	3	3	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
Mr. Roopkishan Dave DIN: 02800417	Independent Director	12	8	1	0	0	No	-
Ms. Vijaylaxmi Sheth DIN: 07129801	Independent Director	12	6	0	0	0	No	-
Mr. Piyushkumar Sinha DIN: 00484132	Independent Director	12	6	4	0	0	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.

Director's Inter-se Relationship:

Name of Directors	Relation	Name of Related Directors
Mr. Ajit Mehta	Father of	Mr. Malav Mehta
		Mr. Vishal Mehta
Mr. Malav Mehta	Son of	Mr. Ajit Mehta
	Brother of	Mr. Vishal Mehta
Mr. Vishal Mehta	Son of	Mr. Ajit Mehta
	Brother of	Mr. Malav 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 Companies Act, 2013 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. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting

During the Financial Year 2018-19, 12 (Twelve) 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 are 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 25, 2018	May 07, 2018	May 30, 2018
August 14, 2018	September 01, 2018	September 04, 2018
November 14, 2018	December 03, 2018	December 17, 2018
January 19, 2019	February 14, 2019	March 30, 2019

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.

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

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

The term of Mr. Keyoor Bakshi, Independent Director, Mr. Roopkishan Dave, Independent Director expires on August 24, 2019 and term of Ms. Vijaylaxmi Sheth expires on March 19, 2020. The Board of Directors of the Company has proposed their re-appointment for second term of five years in the ensuing Annual General Meeting.

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, 2019

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	3,01,14,780	4.54
2.	Mr. Vishal Mehta	Managing Director / Promoter	5,99,59,400	9.04
3.	Mr. Malav Mehta	Non-Executive Director / Promoter	1,70,24,200	2.57
4.	Mr. Vishwas Patel*	Executive Director	7,65,95,662	11.55
5.	Mr. Keyoor Bakshi	Non-Executive Director/ Independent	Nil	Nil
6.	Mr. Roopkishan Dave	Non-Executive Director/ Independent	1,000	0.00
7.	Ms. Vijaylaxmi Sheth	Non-Executive Director/ Independent	Nil	Nil
8.	Mr. Piyushkumar Sinha	Non-Executive Director/ Independent	Nil	Nil

* Pursuant to the order dated May 7, 2018 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench and in accordance with the Scheme of Amalgamation of Avenues (India) Private Limited with the Company, 7,65,95,662 Equity Shares of Re. 1/- each were allotted to Vishwas Patel on May 30, 2018.

The Company has not issued any convertible instruments to any Directors of the Company during the Financial Year 2018-19.

f) Evaluation of the Board Effectiveness:

In terms of applicable provisions of the Companies Act, 2013 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. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the Financial Year 2018-19.

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. These assessment sheets with respect to the evaluation of the performance of the Directors were based on various aspects which, inter alia, included assessment of the level of participation, understanding of the role and responsibilities, understanding of the business and competitive environment, effectiveness of the contributions made during the Board meetings, understanding of the strategic issues and challenges for your Company etc. In assessing the overall performance of the Board, the parameters included the assessment of time devoted by the Board on the Company's long term goals and strategies, Board effectiveness, quality of discussions at the meetings of the Board, time spent and quality of discussions on key subjects like risk assessment and minimization, succession planning, discharging fiduciary and governance duties and performance of specific duties. 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.

The Chairman of the Nomination and Remuneration Committee plays a vital role in undertaking the evaluation of performance of the entire Board of the Company, its Committees and individual Directors including Independent Directors. The Nomination and Remuneration Committee discussed on the evaluation mechanism, outcome and the feedback received from the Directors. The Independent Directors at their meeting also discussed the performance of the Executive / Non-Executive Directors including the Chairman of the Board.

The Board of Directors at its meeting held on March 30, 2019, 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, eminent Independent Directors who have brought in independent judgement to 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 Companies Act, 2013 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 confirm 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 Companies Act, 2013.

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 www.ia.ooo

h) Independent Directors' Meeting:

During the year under review, the Independent Directors met on February 04, 2019, 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 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.

Further, when a new Director is inducted on the Board, an information pack is handed over to the new director which contains Strategy and such other operational information

Brief details of the familiarization programme are uploaded on the website of your Company, www.ia.ooo

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.

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 Companies Act, 2013 and the Listing Regulations. These Committees hold meetings at such 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.

During the year under review, the Board of Directors of the Company have, inter alia, revised the terms of reference of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Risk Management Committee of the Board of Directors of the Company in view of amendments to the Listing Regulations by way of notification of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and amendments to the Companies Act, 2013.

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 Companies Act, 2013 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, 2019 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Keyoor Bakshi	Independent Director	Chairman	11	9
2.	Mr. Vishal Mehta	Managing Director	Member	11	11
3.	Mr. Roopkishan Dave	Independent Director	Member	11	7

Mr. Piyushkumar Sinha, Independent Director of the Company was appointed as the member of the Committee with effect from April 01, 2019.

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

The Committee invites the Chief Financial Officer, Company Secretary, 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		
May 30, 2018	July 03, 2018	July 16, 2018
August 14, 2018	September 01, 2018	November 14, 2018
December 03, 2018	December 17, 2018	January 19, 2019
February 14, 2019	March 30, 2019	

The Chairman of the Audit Committee was present at the last AGM held on September 29, 2018.

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 Companies Act, 2013, 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 Companies Act, 2013 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 Companies Act, 2013 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 2018-19 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	4	4
2.	Mr. Roopkishan Dave	Independent Director	Member	4	3
3.	Mr. Malav Mehta	Non-Executive Director	Member	4	4

Date(s) on which meeting(s) were held		
May 30, 2018	August 06, 2018	November 05, 2018
February 13, 2019		

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 2018-19 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 attend to all 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 circulated to the Board and noted by the Board of Directors.

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 Companies Act, 2013 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 2018-19 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Roopkishan Dave	Independent Director	Chairman	5	3
2.	Mr. Keyoor Bakshi	Independent Director	Member	5	5
3.	Mr. Malav Mehta	Non-Executive Director	Member	5	4

Date(s) on which meeting(s) were held		
July 06, 2018	August 14, 2018	October 25, 2018
February 14, 2019	March 30, 2019	

Mr. Piyushkumar Sinha, Independent Director of the Company was appointed as the member of the Committee with effect from April 01, 2019.

The Chairman of the Nomination and Remuneration Committee was not present at the last AGM of your Company held on September 29, 2018.

The roles and responsibilities of the Committee covers the area as specified in the Listing Regulations, Companies Act, 2013 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. Analysing, monitoring and reviewing various human resource and compensation matters;

7. 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;

8. 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;

9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other regulations;

11. Suggesting to Board/ shareholder's changes in the ESOP and SAR;

12. Deciding the terms and conditions of ESOP and SAR;

13. Performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013 or Listing Regulations or by any other regulatory authority.

Nomination and Remuneration Policy:

During the year under review, the Board of Directors amended the Nomination and Remuneration Policy to bring it in line with the amendments to Section 178 of Companies Act, 2013 and Listing Regulations. The Nomination and Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at: www.ia.ooo.

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 2018-19, the Company paid sitting fee 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 2018-19 is as under:

(` In Million)

Name of Directors	Designation	Sitting fees	Salary & Perquisites	Commission	Total
Mr. Ajit Mehta	Non-Executive Chairman	0.22	0.00	0.00	0.22
Mr. Vishal Mehta	Managing Director	0.00	0.00	0.00	0.00
Mr. Malav Mehta	Non-Executive Director	0.28	0.00	0.00	0.28
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	0.28	0.00	0.00	0.28
Ms. Vijaylaxmi Sheth	Independent Director	0.12	0.00	0.00	0.12
Mr. Piyushkumar Sinha	Independent Director	0.11	0.00	0.00	0.11
Total		**1.32**	**0.00**	**0.00**	**1.32**

No Stock Option has been offered to the Directors during the Financial Year 2018-19.

The Company has no pecuniary relationship with Non-Executive Directors except sitting fees for attending meetings of the Board/Committees thereof.

Performance Evaluation:

Upon recommendation of Nomination and Remuneration Committee the Board of Directors has laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board members, including Independent Directors. 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 performance evaluation process for the financial year 2018-19 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 Companies Act, 2013 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 2018-19 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Ms. Vijaylaxmi Sheth	Independent Director	Chairman	1	1
2.	Mr. Vishal Mehta	Managing Director	Member	1	1
3.	Mr. Malav Mehta	Non-Executive Director	Member	1	1

Date(s) on which meeting(s) were held
May 30, 2018

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 Companies Act, 2013 and rules thereunder.

b. Recommend the amount of expenditure to be incurred on the activities as above, and

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

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 Companies Act, 2013 and the CSR Expenditure thereon. The CSR policy of the Company is available on the website of the Company www.ia.ooo.

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. During the year under review, no meeting was held for the said Committee.

The Composition of the Risk Management Committee as at March 31, 2019 is as under:

Sr. No.	Name of Director	Category	Nature of Membership
1	Mr. Vishal Mehta	Managing Director	Chairman
2	Mr. Ajit Mehta	Non-Executive Director	Member
3	Mr. Malav Mehta	Non-Executive Director	Member

SUBSIDIARY COMPANIES

As on March 31, 2019, 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 periodical basis. The Audit Committee reviews the 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
2015-16	15-09-2016	2:30 p.m.	H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, IIM – A Road, Vastrapur, Ahmedabad – 380 015 **Special Resolution:** 1. Ratification of Employee Stock Option Schemes 2. Approval of balance options under Employee Stock Option Scheme 2013-14
2016-17	18-09-2017	3:00 p.m.	H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, IIM – A Road, Vastrapur, Ahmedabad – 380 015 **No Special Resolution was Passed.**
2017-18	29-09-2018	11: 00 a.m.	23rd Floor, Gift Two Building, Block No. 56, Road – 5C, Zone – 5, Gift City, Gandhinagar – 382 355 **No Special Resolution was Passed.**

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

1. **Publication of quarterly results:**
Quarterly, half-yearly and annual financial results of the Company are sent to the Stock Exchanges and published in 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. **New Releases and Presentations to institutional investors / analysts:**
Official news releases, press releases and presentations are made to 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 meeting / presentation with institutional investors and financial analysts.

3. **Website:**
The Company's website, www.ia.ooo contains a separate dedicated section 'Investor Desk' 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 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 downloadable form on the Company's website i.e. www.ia.ooo.

5. **Stock Exchange:**
Your Company makes timely disclosures of necessary information to BSE Limited and the National Stock Exchange of India Limited in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

6. **NEAPS (NSE Electronic Application Processing System), 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 redress 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	:	July 30, 2019
Day	:	Tuesday
Time	:	10.30 a.m.
Place	:	23rd Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar – 382 355.

(iii) Financial Calendar:

Financial Year	:	April 1 to March 31
Tentative Schedule for declaration of results during the Financial Year 2019-20		
First Quarter	:	Mid August, 2019
Second Quarter and Half yearly	:	Mid November, 2019
Third Quarter and Nine Months	:	Mid February, 2020
Fourth Quarter and Annual	:	End May, 2020

(iv) Dividend Payment Date : N.A.

- **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

- **Unclaimed Dividend/ Shares**

  Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, 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 Investor Education and Protection Fund.

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

  In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) 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 shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA 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 2018-19, none of the equity shares of the Company were transferred to the IEPFA.

(v) Dividend Distribution Policy:

As per Regulation 43A of the SEBI Listing Regulations, the top 500 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 a part of Director's Report and also available on the website of the Company at www.ia.ooo.

(vi) Book closure Date : Tuesday, July 23, 2019 to Tuesday, July 30, 2019 (both days inclusive)

(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.

(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, 2019 are as under:

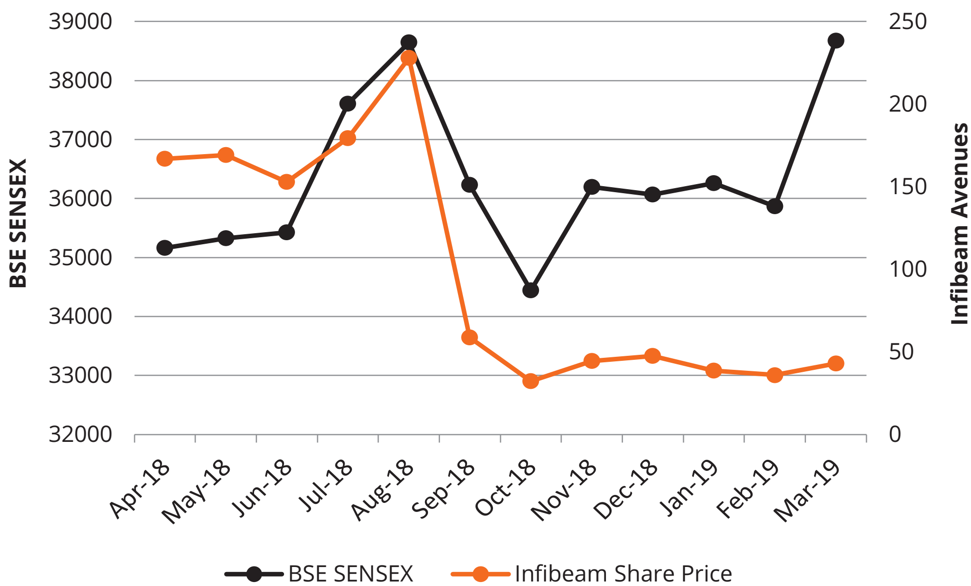
Months	BSE			NSE		
	High (In `)	Low (In `)	Volume (No. of Shares)	High (In `)	Low (In `)	Volume (No. of Shares)
2018						
April	174.30	148.95	1,97,61,406	174.50	149.00	14,32,29,539
May	174.00	152.60	1,96,81,371	173.80	152.75	9,34,50,740
June	171.45	146.05	2,54,24,928	171.40	146.60	17,69,87,288

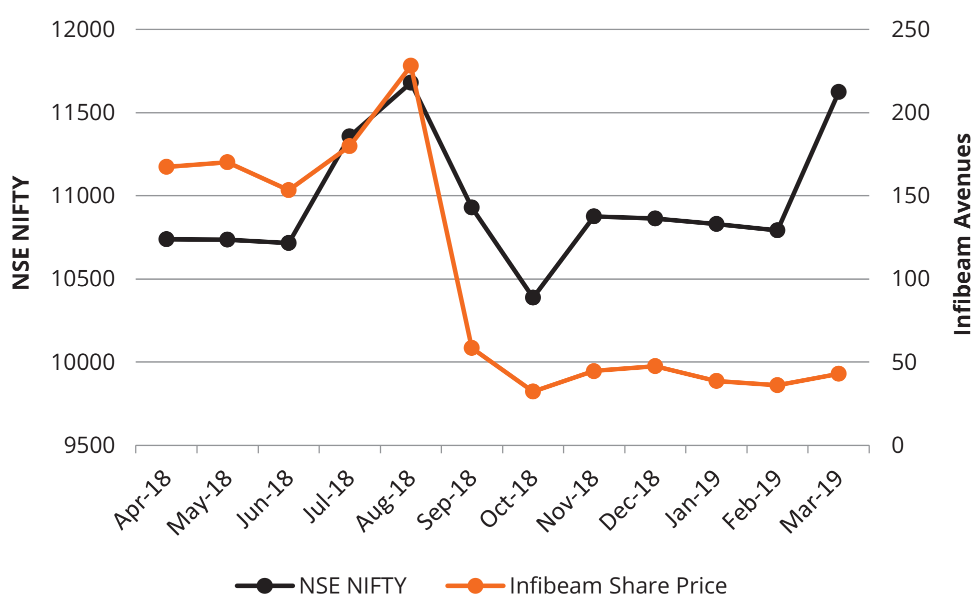
Months	BSE			NSE		
	High (In `)	Low (In `)	Volume (No. of Shares)	High (In `)	Low (In `)	Volume (No. of Shares)
July	187.15	148.80	2,24,12,369	188.00	149.10	13,94,32,529
August	239.00	175.40	1,78,70,536	239.20	175.50	12,13,46,793
September	242.80	53.80	3,28,69,576	242.70	53.50	28,55,30,327
October	80.55	27.65	6,78,86,444	80.25	27.50	55,04,63,518
November	59.65	31.70	7,33,05,766	59.70	31.55	66,06,77,701
December	52.40	37.25	5,11,40,887	52.45	37.20	39,08,92,481
2019						
January	49.05	37.15	2,90,86,424	49.00	37.15	21,22,91,361
February	41.40	31.70	2,72,58,238	41.70	31.65	22,56,66,869
March	46.45	35.65	3,72,12,498	46.60	35.60	25,15,77,158

(Source: BSE and NSE website)

(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, 2019 (based on month end closing):





(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.

(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 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 half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

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.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

(xi) Distribution of Shareholding as on March 31, 2019:

Shareholding (No. of Shares)	No. Share Holders		No. Shares	
	Number	% of Total	Shares	% of Total
Upto – 500	69,102	80.50	97,21,016	1.45
501 – 1000	7,740	9.02	63,50,256	0.96
1001 - 2000	4,161	4.85	64,47,310	0.97
2001 – 3000	1,472	1.72	38,25,205	0.58
3001 - 4000	742	0.86	27,13,658	0.41
4001 - 5000	553	0.64	26,22,643	0.40
5001 - 10000	1,015	1.18	74,65,661	1.13
10001 and above	1,057	1.23	62,42,46,491	94.10
Total	**85,842**	**100.00**	**66,33,92,240**	**100.00**

(xii) Category of Shareholders as on March 31, 2019:

Category	No. of Shares held	% of Shareholding
Promoters & Promoter's group	25,35,29,909	38.22
Financial Institution & Banks	59,07,240	0.89
Foreign Portfolio Investors	3,65,73,995	5.51
Mutual Funds	1,20,165	0.02
Bodies Corporate	3,42,91,783	5.17
NRI	1,36,01,241	2.05
Individual	28,28,77,213	42.64
HUF	2,38,93,418	3.60
Clearing Member	97,95,610	1.48
NBFCs registered with RBI	5,355	0.00
Employee Benefit Trust	27,96,311	0.42
Total	**66,33,92,240**	**100.00**

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

As on March 31, 2019, your Company has outstanding 21,45,002 Fully Convertible Warrants convertible into equal no. of equity shares allotted to TV18 Broadcast Limited on Preferential Basis on March 29, 2018.

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, 2019. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE483S01020.

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

The Company has sent three reminders to those shareholders holding shares in physical form advising them to dematerialize their holding. Members holding shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode going forward.

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.

SEBI vide Press Release No. 12/2019 dated March 27, 2019, clarified that the transfer deed(s) once lodged prior to deadline of April 1, 2019 and returned due to deficiency in document(s) may be re-lodged for transfer.

(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
(Formerly known as Infibeam Incorporation 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, 2019.

During the year under review, your Company has obtained long term rating of [ICRA] A+ (Stable) (pronounced as ICRA A plus) from ICRA Limited, with a stable outlook for the purpose of bank facilities.

The Credit ratings were revised to [ICRA] A on December 10, 2018, due to subdued scaling up of profits in certain business segments.

OTHER DISCLOSURES

(i) Related Party Transactions:

There were no materially Related Party Transactions having potential conflict with the interests of the Company at large during the Financial Year 2018-19. All transaction entered into by your Company with related parties, during the Financial Year 2018 – 19, 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 our Company were in compliance with the provisions set out in the Companies Act, 2013 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: www.ia.ooo.

(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) Commodity price risk and Commodity hedging activities:
Not Applicable

(v) 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 www.ia.ooo.

(vi) 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 www.ia.ooo.

(vii) 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 adopted 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 make directly presentation to the Audit Committee on their Reports.

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

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

(ix) Certificate from Practicing Company Secretary:
Ashish C. Doshi, Partner of SPANJ & Associates, Practicing Company Secretaries, has issued a certificate as required under Listing Regulations, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed in this section.

(x) 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

(xi) 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:

(` in Million)

Types of Service	Amount
Audit Fees	5.4
Other Services	1.96
Out of Pocket Expenses	0.27
Total	**7.63**

(xii) 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 www.ia.ooo

(xiii) 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 2018-19 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

(xiv) 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 Listing Regulations, 2015.

(xv) 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.

(xvi) 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.

(xvii) 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 www.ia.ooo.

(xviii) 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 Limited and the National Stock Exchange of India Limited on a quarterly basis.

(xix) CEO/CFO Certification:

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the Financial Year 2018 – 19 signed by Mr. Vishal Mehta, Managing Director and Mr. Hiren Padhya, Chief Financial Officer was placed before the Board of Directors of your Company at their meeting held on May 30, 2019.

(xx) Annual Secretarial Compliance Report:

The Company has undertaken an audit for the Financial Year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

(xxi) 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, there are no equity shares lying in the demat suspense account.

(xxii) 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 Companies Act, 2013 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.

DECLARATION

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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, 2019.

Ajit Mehta
Chairman
[DIN: 01234707]

Place: Gandhinagar
Date: June 29, 2019

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, 2019 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 2018-19, 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 30, 2019	Managing Director	Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
INFIBEAM AVENUES LIMITED
(Formerly known as INFIBEAM INCORPORATION LIMITED)
{CIN: L64203GJ2010PLC061366}
Gandhinagar – 382 355

We have examined the compliance of conditions of Corporate Governance by **INFIBEAM AVENUES LIMITED (Formerly known as INFIBEAM INCORPORATION LIMITED)**, for the year ended **31st March, 2019**, 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 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.

Place: Ahmedabad
Date: 19/06/2019

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No. : F3544
C P No : 2356

ANNEXURE – D

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, high speed compute and storage data center service and a complete Software as a Service (SaaS) technology framework to businesses and governments who want to do online commercial transactions – Infibeam Avenues Web Services (IWS). As part of IWS, the Company provides digital payments, infrastructure (data center as a service) and platforms, to businesses in India and in the Middle East across industry verticals.

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, with nearly 250 payment options connecting to more than 55+ Indian banks 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 terms of net profit, third in terms of revenue market share and first in number of wallet and EMI options that we offer to our merchants in India. In UAE, CCAvenue ranks second in terms of payment processed among all the non-bank players.

The Company's Tier III certified data center built in collaboration with Schneider and IBM offers high speed compute and storage services.

The Company's End-to-end modular, customizable and scalable cloud-based offering allows enterprise merchants to transact online, manage the back-end (orders, inventory, and logistics), marketing, and accepting digital payments. Infibeam provides e-commerce platform for one of India's largest marketplace "GeM" (Government of India e-Marketplace).

In addition, Infibeam also holds stake in few companies having high growth opportunities which will potentially allow the Company to expand its digital payments and platforms businesses both in India and in the Middle East region.

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 (Formerly known as Infibeam Incorporation 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, 2018 to March 31, 2019			
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 check out 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	Two (02)			
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, 2019	` 663.39 Million
2.	Total turnover for F.Y. 2018-19	` 5,539 Million (Standalone)
3.	Total profit after taxes for F.Y. 2018-19	` 389 Million (Standalone)
4.	Total spending on Corporate Social Responsibility (CSR) as a percentage of Profit After Tax (%) for F.Y. 2018-19	0.89%
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 B 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.	Y The policy is part of the Ecological Sustainability Policy and Code of Conduct.	Y 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 part of the Code of Conduct.	Y This forms 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? (50 words)	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: http://www.ia.ooo/code-of-conduct-and-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.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 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 to assess 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 publishes the information on BR which forms part of the Annual Report of the Company. 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") is based on the principles of Ethics, Transparency and Accountability and it underlines the belief that ethical behaviour in all operations is the corner stone guiding our governance of economic, social and environmental responsibilities. 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 any irregularity, involving employees as well as vendors, contractors, customers and/or any other entities having a business relationship with 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 has in place different mechanisms for receiving and dealing with complaints from different stakeholders' viz. investors, customers, employees, vendors, etc. There are dedicated resources to respond to the complaints within a time bound manner.

   For details of investor complaints, please refer Corporate Governance Report in the 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.**

   Infibeam primarily offers digital Payments, Infrastructure (data center as a service) and cloud-based enterprise Platforms (PIP) and other ancillary services including data analytics, digital marketing, among others. Our digital offerings are environmentally friendly.

   Infibeam believes that it can 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 a 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 Avenues is a technology company offering its technology solutions over the internet. 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. We follow other 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.

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. For consumable and operational services, the Company prefers to connect with local vendors to supply the necessary manpower and other requirements.

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

Sr. No.	Particulars	Details
1.	Total Number of Employees	628
2.	Total number of employees hired on contractual basis	0
3.	Number of permanent women employees	138
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 2018-19 are as follows:

Permanent Employees	100%
Permanent Women Employees	90 %
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?**

   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 extend support to the disadvantaged and marginalized stakeholders, through CSR programs and active employee volunteering.

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?**

   The Company is committed to upholding the dignity of every individual engaged or associated with the Company.

   The Fair Practices Code as well as Employee Code of Conduct, 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 on Human Rights were received 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 www.ia.ooo.

   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 CPCB/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, 2019.

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. 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?**
   Yes

4. **What is your company's direct contribution to community development projects- Amount in ` and the details of the projects undertaken?**
   An amount of ` 3.45 Million was spent towards various CSR projects during the financial year 2018-19.

   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, we do regular monitoring 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 – E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:**
   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, 2019, the CSR Committee comprises following members:

   Ms. Vijaylaxmi Sheth - Chairman

   Mr. Vishal Mehta - Member

   Mr. Malav Mehta - Member

3. **Average net profit of the Company for last three financial years:**
   ` 172.37 Million

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**
   ` 3.45 Million

5. **Details of CSR spent during the financial year:**
   a) Total amount to be spent for the financial year: ` 3.45 Million

   b) Amount unspent, if any: Nil

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

(` in Million)

Sr. No.	CSR Project or Activity Identify	Sector in which project is covered	Project Programs 1. Local Area 2. Specify the State and Projects or Programs was undertaken	Amount outlay (Budget) Project or Programs wise	Amount spent on the Projects or Programs Sub heads: 1. Direct Expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Schedule VIU (ii) Promoting Health Care	For health awareness	Location: Ahmedabad, Gujarat The objective is to serve and enrich quality of life of patients suffering from diseases through the efficient development of technology and human expertise, in a caring and nurturing environment with greatest respect for human dignity and life.	3.45	3.45 1. Direct Expenditure on Projects or Programs: ` 3.45 Million 2. Overheads: ` Nil	3.45	Amount spent through joint implementing agency called “Aadhar Foundation”
	Total			**3.45**	**3.45**	**3.45**	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof. – Not Applicable

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Vishal Mehta
Managing Director

Vijaylaxmi Sheth
Chairman, CSR Committee

ANNEXURE – F

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019
[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
(Formerly known as INFIBEAM INCORPORATION LIMITED)
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 (Formerly known as INFIBEAM INCORPORATION LIMITED)** (hereinafter called "the Company"). 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 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, 2019 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, 2019 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, 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 and there is adequate compliance management system for the purpose of other sector specific laws. I 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
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. Vishal Mehta was re-appointed as Managing Director of the Company pursuant to the approval of shareholders at the Annual General Meeting held on September 29, 2018 for a further period of 5 (Five) years with effect from 01st February, 2018. Mr. Vishwas Patel was appointed as Executive Director at Annual General Meeting of the Company held on 29th September, 2018. Mr. Piyushkumar Sinha, additional director was regularized as Independent Director at Annual General Meeting of the Company held on 29th September, 2018.

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 decision 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 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.

- Scheme of Arrangement in the form of Amalgamation of Avenues (India) Private Limited with the Company was approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench and pursuant to order dated 07th May, 2018, 11,98,60,000 Equity Shares of ` 1/- each were allotted to the Shareholders of Avenues (India) Private Limited.
- During the year under review, Foreign Wholly Owned Subsidiary of the Company in Dubai had acquired 100% shares of Vavian International Limited, Dubai.
- During the year under review, at Extra Ordinary General Meeting held on 28th June, 2018, the Company had altered Main Object Clause of Memorandum of Association and also had changed the Name of the Company from "**Infibeam Incorporation Limited**" to "**Infibeam Avenues Limited**".
- During the year under review, the Company had passed Ordinary Resolution for increase in Authorised Share Capital of the Company from existing ` 68,25,00,000/- (Rupees Sixty Eight Crores Twenty Five Lakhs only) divided into 68,00,00,000 (Sixty Eight Crores) Equity Shares of ` 1/- each and 2,50,000 (Two Lakhs Fifty Thousand) 0.01% Compulsory Convertible Preference Shares of ` 10/- each to ` 90,00,00,000/- (Rupees Ninety Crores only) divided into 89,75,00,000 (Eighty Nine Crores Seventy Five Lakhs) Equity Shares of ` 1/- each and 2,50,000 (Two Lakhs Fifty Thousand) 0.01% Compulsory Convertible Preference Shares of ` 10/- each at the Annual General Meeting held on 29thSeptember, 2018.
- During the year under review, the Company has passed Special Resolution for dilution / divestment of 100% Equity Stake along with control in NSI Infinium Global Private Limited ("NSI"), a wholly owned and material subsidiary of the Company for a consideration as may be agreed upon by the Board to Suvidhaa Infoserve Private Limited or its designated nominees through Scheme of Arrangement, at the Extra Ordinary General Meeting held on 12th January, 2019.
- During the year under review, the Company has divested its ownership with control in Infinium (India) Limited ("IIL"), a Wholly Owned Subsidiary of the Company to Ingenious E-Commerce Private Limited w.e.f. 23rd January, 2019 at a Consideration of ` 60.00 Crores.
- During the year under review, the Company has invested in Equity Share Capital of Infinium (India) Limited, NSI Infinium Global Private Limited and Infibeam Logistics Private Limited.
- During the year under review, the Company has invested ` 60.00 Crores in Equity shares of Ingenius E-Commerce Private Limited.

- During the year under review, the Company has invested ` 90.77 Crores in Equity stake of NSI Infinium Global Private Limited.
- During the year under review, the Company has acquired shares held by INFIBEAM GLOBAL EMEA FZ-LLC, Dubai, United Arab Emirates in Vavian International Limited.
- During the year under review, Unipropitia-FZCO has invested in 51% shares of INFIBEAM GLOBAL EMEA FZ-LLC, Dubai, United Arab Emirates, hence it is no longer Wholly Owned Subsidiary of the Company.
- During the year under review, the Company received an anonymous complaint dated February 26, 2019 (received on February 28, 2019) alleging sharing of quarterly financial results of the Company by S R B C & Co., LLP, Chartered Accountants, (Firm Reg. No. – 324982E/ E300003)(one of the Joint Statutory Auditors of the Company) ("the Auditors")with third parties on several occasions before the results could be disclosed to stock exchanges as required under applicable laws. The Board of Directors at their meeting held on May 5, 2019, after following necessary process of giving opportunity of being heard, decided to recommend removal of said firm as Joint Statutory Auditors of the Company subject to approval of the Central Government and/or the other relevant regulatory authorities and the shareholders of the Company in terms of section 140(1) of the Companies Act, 2013. The Company filed an application with the Regional Director (NWR) in Form ADT 2 and has also received order allowing application of the company by Hon'ble Regional Director, North-West Region, Ahmedabad dated 07th June, 2019.

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No. : F3544
C P No : 2356

Place: Ahmedabad
Date: 19/06/2019

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

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 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/Declaration 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
(Formerly known as INFIBEAM INCORPORATION LIMITED)
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, 2019.

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.

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No. : F3544
C P No : 2356

Place: Ahmedabad
Date: 19/06/2019

ANNEXURE – G

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L64203GJ2010PLC061366
2.	Registration Date	June 30, 2010
3.	Name of the Company	Infibeam Avenues Limited *(Formerly known as Infibeam Incorporation Limited)*
4.	Category/Sub-category of the Company	Company limited by Shares Indian Non- Government Company
5.	Address of the Registered office & contact details	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
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited 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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Digital payments and check out web services	66190	93%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	**Odigma Consultancy Solutions Private Limited** 211, 3rd Floor, "KASTHURI", Kasturi Nagar Service Road, Outer Ring Road, Bangalore – 560043	U72900KA2011PTC057298	Wholly Owned Subsidiary	100.00	2(87)
2.	**Infibeam Logistics Private Limited** 909, 9th Floor, Shitiratna Complex, Near Panchawati Circle, Off C.G. Road, Ellisbridge, Ahmedabad -380 006	U63090GJ2013PTC074135	Wholly Owned Subsidiary	100.00	2(87)
3.	**Avenues Infinite Private Limited** Level I, Sai Bazar, Station Road, Opp Santacruz Station, Santacruz (West), Mumbai – 400 054	U74900MH2013PTC239708	Wholly owned Subsidiary	100.00	2(87)
4.	**Infibeam Digital Entertainment Private Limited** 23rd Floor, Gift Two Building, Block No. 56, Road-5C, Zone-5, Gift City, Gandhinagar, Taluka & District - Gandhinagar – 382 355	U72200GJ2012PTC070882	Subsidiary	74.00	2(87)
5.	**DRC Systems India Private Limited** 24th Floor, Gift Two Building, Block No. 56, Road-5c, Zone-5, Gift City, Gandhinagar, Taluka & District - Gandhinagar – 382 355	U72900GJ2012PTC070106	Subsidiary	51.00	2(87)
6.	**Vavian International Limited** PO Box 11429, Dubai-UAE	NA*	Wholly Owned Subsidiary	100.00	2(87)
7.	**Avenues World FZ-LLC**** PO Box 500416, Dubai-UAE	NA*	Step down Wholly Owned Subsidiary	100.00	2(87)
8.	**NSI Infinium Global Private Limited** 27th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar Taluka & District – 382355	U64203GJ2002PTC040741	Associate	93.59	2(6)
9.	**Infibeam Global EMEA FZ-LLC** Premises: 52, Floor: Ground, Building: 17, Dubai, United Arab Emirates	NA*	Associate	49.00	2(6)
10.	**Avenues Payments India Private Limited** Level I, Sai Bazar, Station Road, Opp Santacruz Station, Santacruz (West), Mumbai – 400 054	U72200MH1999PTC123313	Associate	22.69	2(6)
11.	**Instant Global Paytech Private Limited** 6th Floor, Seasons Avenue, Linking Road, Khar, Mumbai - 400052	U74999MH2018PTC308260	Associate	48.00	2(6)

* Incorporated Outside India.

** It is a Wholly Owned Subsidiary Company of Vavian International Limited, hence, a step down Wholly Owned Subsidiary Company of your Company.

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	15,55,36,790	-	15,55,36,790	28.65	15,55,36,790	-	15,55,36,790	23.45	(5.20)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,21,51,440	-	9,21,51,440	16.98	9,79,93,119	-	9,79,93,119	14.77	(2.21)
e) Banks / FI									
f) Any other									
Sub-Total [A](1)	**24,76,88,230**	**-**	**24,76,88,230**	**45.63**	25,35,29,909	-	25,35,29,909	38.22	**(7.41)**
(2) Foreign									
a) NRI-Individual	-	-	-	-	-	-	-	-	-
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total [A] (2)	**-**	**-**	**-**	**-**	-	-	-	-	**-**
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	**24,76,88,230**	**-**	**24,76,88,230**	**45.63**	25,35,29,909	-	25,35,29,909	38.22	**(7.41)**
B. Public Shareholding									
1. Institutions	-	-	-	-					-
a) Mutual Funds	1,55,03,527	-	1,55,03,527	2.86	1,20,165	-	1,20,165	0.02	(2.84)
b) Banks / FI	36,66,681	-	36,66,681	0.67	59,07,240	-	59,07,240	0.89	0.22
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investor	5,04,57,873	-	5,04,57,873	9.30	3,65,73,995	-	3,65,73,995	5.51	(3.79)
h) Foreign Venture Capital Funds	,-	-	-	-					-
i) Others (specify)									
Sub-total (B)(1):-	**6,96,28,081**	**-**	**6,96,28,081**	**12.83**	**4,26,01,400**	**-**	**4,26,01,400**	**6.42**	**(6.41)**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4,14,18,135	-	4,14,18,135	7.63	3,42,91,783	-	3,42,91,783	5.17	(2.46)
ii) Overseas	-	-	-	-					-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	96,97,969	1,24,650	98,22,619	1.81	5,07,26,820	92,150	5,08,18,970	7.66	5.85
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	13,03,24,675	12,63,800	13,15,88,475	24.24	23,15,15,023	5,43,220	23,20,58,243	34.98	10.74
NBFC Registered with RBI	0	0	0	0.00	5,355	0	5,355	0.00	0.00
c) Others (specify)									
i) HUF	2,58,35,023	0	2,58,35,023	4.76	2,38,93,418	0	2,38,93,418	3.60	(1.16)
ii) NRI	99,72,270	0	99,72,270	1.84	1,36,01,241	0	1,36,01,241	2.05	0.21

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
iii) Clearing Members	44,69,457	0	44,69,457	0.82	97,95,610	0	97,95,610	1.48	0.66
iv) Trust	6,32,000	0	6,32,000	0.12	0	0	0	0.00	(0.12)
Sub-total (B)(2)	**22,23,49,529**	**13,88,450**	**22,37,37,979**	**41.22**	**36,38,29,250**	**6,35,370**	**36,44,64,620**	**54.94**	**13.72**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**29,19,77,610**	**13,88,450**	**29,33,66,060**	**54.05**	**40,64,30,650**	**6,35,370**	**40,70,66,020**	**61.36**	**7.31**
C. Non Promoter - Non Public	17,29,100	-	17,29,100	0.32	27,96,311	-	27,96,311	0.42	0.10
1. Shares held by Custodian for GDRs & ADRs	-	-	-	-					-
2. Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	17,29,100	-	17,29,100	0.32	27,96,311	-	27,96,311	0.42	0.10
Grand Total (A+B+C)	**54,13,94,940**	**13,88,450**	**54,27,83,390**	**100.00**	**66,27,56,870**	**6,35,370**	**66,33,92,240**	**100.00**	**0.00**

ii) Shareholding of Promoter (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2018)			Shareholding at the end of the year (March 31, 2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Ajit C. Mehta	3,01,14,780	5.55	-	3,01,14,780	4.54	-	(1.01)
2.	Ms. Jayshree A. Mehta	3,01,14,780	5.55	-	3,01,14,780	4.54	-	(1.01)
3.	Mr. Malav A. Mehta	1,70,24,200	3.14	2.20	1,70,24,200	2.57	2.12	(0.57)
4.	Mr. Vishal A. Mehta	5,99,59,400	11.05	-	5,99,59,400	9.04	-	(2.01)
5.	Ms. Nirali Mehta*	1,50,59,200	2.77	-	1,50,59,200	2.27	-	(0.50)
6.	Ms. Anoli Mehta*	9,68,510	0.18	-	9,68,510	0.15	-	(0.03)
7.	Mr. Subhashchandra R. Amin*	20,58,790	0.38	-	20,58,790	0.31	-	(0.07)
8.	Ms. Shreya N. Parikh*	2,000	0.00	-	2,000	0.00	-	0.00
9.	Ms. Pallavi Kumarpal*	23,340	0.00	-	23,340	0.00	-	0.00
10.	Ms. Mokshadaben P. Sheth*	25,000	0.00	-	25,000	0.00	-	0.00
11.	Ms. Bhadrika A. Shah*	10,340	0.00	-	10,340	0.00	-	0.00
12.	Ms. Achalaben S. Amin*	1,76,450	0.03	-	1,76,450	0.03	-	0.00
13.	Infinity Drive Private Limited*	80,07,440	1.48	-	80,07,440	1.21	-	(0.27)
14.	Infinium Auto Mall Private Limited*	1,45,55,900	2.68	-	1,45,55,900	2.19	0.38	(0.49)
15.	Infinium Communication Private Limited*	1,05,07,880	1.94	-	1,05,07,880	1.58	0.75	(0.36)
16.	Infinium Motors Private Limited*	5,30,47,220	9.77	-	5,30,47,220	8.00	4.15	(1.77)
17.	Infinium Motors (Gujarat) Private Limited*	44,74,000	0.82	-	48,34,655	0.73	-	(0.09)
18.	O3 Developers Private Limited *(Formerly known as Infinium Natural Resources Investments Private Limited)**	15,59,000	0.29	-	70,40,024	1.06	-	0.77

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2018)			Shareholding at the end of the year (March 31, 2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
19.	Advanced Energy Resources & Management Private Limited*	-	-	-	-	-	-	-
20.	ING Satcom Limited*	-	-	-	-	-	-	-
21.	TIW Systems Private Limited*	-	-	-	-	-	-	-
22.	Yoro Club LLP*	-	-	-	-	-	-	-
23.	Vima Enterprises LLP*	-	-	-	-	-	-	-
24.	Lubi Industries LLP*	-	-	-	-	-	-	-
25.	Ajit Mehta HUF*	-	-	-	-	-	-	-
26.	Vishal Mehta HUF *	-	-	-	-	-	-	-
27.	Malav Mehta HUF*	-	-	-	-	-	-	-
28.	V.M. Associates*	-	-	-	-	-	-	-
	TOTAL	**24,76,88,230**	**45.63**	**2.20**	**25,35,29,909**	**38.22**	**7.4**	**(7.41)**

* Forms part of the Promoter Group

Note: The details of holding have been clubbed based on PAN.

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2018)		Transactions during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transactions	Increase / (Decrease) in no. of Shares	Reason	No. of shares	% of total shares of the company*
1.	Mr. Ajit C. Mehta	3,01,14,780	5.55		No Change		3,01,14,780	4.54
2.	Ms. Jayshree A. Mehta	3,01,14,780	5.55		No Change		3,01,14,780	4.54
3.	Mr. Malav A. Mehta	1,70,24,200	3.14		No Change		1,70,24,200	2.57
4.	Mr. Vishal A. Mehta	5,99,59,400	11.05		No Change		5,99,59,400	9.04
5.	Ms. Nirali Mehta	1,50,59,200	2.77		No Change		1,50,59,200	2.27
6.	Ms. Anoli Mehta	9,68,510	0.18		No Change		9,68,510	0.15
7.	Mr. Subhashchandra R. Amin	20,58,790	0.38		No Change		20,58,790	0.31
8.	Ms. Shreya N. Parikh	2,000	0.00		No Change		2,000	0.00
9.	Ms. Pallavi Kumarpal	23,340	0.00		No Change		23,340	0.00
10.	Ms. Mokshadaben P. Sheth	25,000	0.00		No Change		25,000	0.00
11.	Ms. Bhadrika A. Shah	10,340	0.00		No Change		10,340	0.00
12.	Ms. Achalaben S. Amin	1,76,450	0.03		No Change		1,76,450	0.03
13.	Infinity Drive Private Limited	80,07,440	1.48		No Change		80,07,440	1.21
14.	Infinium Auto Mall Private Limited	1,45,55,900	2.68		No Change		1,45,55,900	2.19
15.	Infinium Communication Private Limited	1,05,07,880	1.94		No Change		1,05,07,880	1.58
16.	Infinium Motors Private Limited	5,30,47,220	9.77		No Change		5,30,47,220	8.00
17.	Infinium Motors (Gujarat) Private Limited	44,74,000	0.82	02-07-2018	1,42,300	Purchase	46,16,300	0.70
				03-07-2018	83,180	Purchase	46,99,480	0.71
				04-07-2018	1,00,175	Purchase	47,99,655	0.72
				05-07-2018	35,000	Purchase	48,34,655	0.73
	At the end of the year (March 31, 2019)						48,34,655	0.73

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2018)		Transactions during the year			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transactions	Increase / (Decrease) in no. of Shares	Reason	No. of shares	% of total shares of the company*
18.	O3 Developers Private Limited *(Formerly known as Infinium Natural Resources Investments Private Limited)**	15,59,000	0.29	05-06-2018	56,238	Purchase	16,15,238	0.24
				06-06-2018	7,74,187	Purchase	23,89,425	0.36
				07-06-2018	26,20,203	Purchase	50,09,628	0.76
				02-07-2018	3,00,000	Purchase	53,09,628	0.80
				03-07-2018	1,30,832	Purchase	54,40,460	0.82
				05-07-2018	1,00,000	Purchase	55,40,460	0.84
				06-07-2018	1,00,000	Purchase	56,40,460	0.85
				26-07-2018	63,725	Purchase	57,04,185	0.86
				21-09-2018	13,35,839	Purchase	70,40,024	1.06
	At the end of the year (March 31, 2019)						70,40,024	1.06
19.	Advanced Energy Resources & Management Private Limited	0	0.00	No Change			0	0.00
20.	ING Satcom Limited	0	0.00	No Change			0	0.00
21.	TIW Systems Private Limited	0	0.00	No Change			0	0.00
22.	Yoro Club LLP	0	0.00	No Change			0	0.00
23.	Vima Enterprises LLP	0	0.00	No Change			0	0.00
24.	Lubi Industries LLP	0	0.00	No Change			0	0.00
25.	Ajit Mehta HUF	0	0.00	No Change			0	0.00
26.	Vishal Mehta HUF	0	0.00	No Change			0	0.00
27.	Malav Mehta HUF	0	0.00	No Change			0	0.00
28.	V.M. Associates	0	0.00	No Change			0	0.00

* % of Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

Note: The details of holding have been clubbed based on PAN.

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

Sr. No.	Name & Type of Transactions	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transactions	No. of Shares	No. of shares	% of total shares of the company*
1.	Variniben Vishwaskumar Patel	0	0.00				
	Allotment under Scheme of Amalgamation			30-05-2018	2,92,50,000	2,92,50,000	4.41
	At the end of the year					2,92,50,000	4.41
2.	Mayur Mukundlal Desai	1,90,00,000	3.50				
	At the end of the year					1,90,00,000	2.86
3.	Sonal Mayurbhai Desai	1,50,00,000	2.76				
	Sale			18-05-2018	(5,000)	1,49,95,000	2.26
	Sale			17-08-2018	(2,000)	1,49,93,000	2.26
	Purchase			29-09-2018	2,000	1,49,95,000	2.26
	Sale			21-12-2018	(10,000)	1,49,85,000	2.26
	At the end of the year					1,49,85,000	2.26
4.	Desai Abhishek Mayur	1,46,50,801	2.70				
	Sale			06-04-2018	(4,25,000)	1,42,25,801	2.14
	At the end of the year					1,42,25,801	2.14

Sr. No.	Name & Type of Transactions	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transactions	No. of Shares	No. of shares	% of total shares of the company*
5.	The Ezrah Charitable Trust	0	0.00				
	Purchase			01-06-2018	20,41,380	20,41,380	0.31
	Purchase			08-06-2018	19,66,185	40,07,565	0.60
	Sale			24-08-2018	(22,18,432)	17,89,133	0.27
	Sale			31-08-2018	(17,89,133)	0	0.00
	Purchase			05-10-2018	87,41,079	87,41,079	1.32
	Purchase			12-10-2018	19,00,290	1,06,41,369	1.60
	Purchase			19-10-2018	53,626	1,06,94,995	1.61
	Purchase			26-10-2018	15,00,000	1,21,94,995	1.84
	At the end of the year					1,21,94,995	1.84
6.	Mayur Mukundlal Desai	52,36,774	0.97				
	Sale			06-04-2018	(2,30,000)	50,06,774	0.75
	Purchase			13-04-2018	2,10,000	52,16,774	0.79
	Sale			20-04-2018	(1,70,000)	50,46,774	0.76
	Sale			21-09-2018	(5,000)	50,41,774	0.76
	Purchase			05-10-2018	28,00,697	78,42,471	1.18
	Purchase			02-11-2018	12,10,000	90,52,471	1.36
	Purchase			09-11-2018	13,80,000	1,04,32,471	1.57
	Purchase			16-11-2018	7,43,000	1,11,75,471	1.68
	Purchase			23-11-2018	3,00,000	1,14,75,471	1.73
	Purchase			30-11-2018	2,18,350	1,16,93,821	1.76
	Purchase			07-12-2018	62,000	1,17,55,821	1.77
	Purchase			21-12-2018	20,000	1,17,75,821	1.77
	Purchase			08-02-2019	75,000	1,18,50,821	1.79
	Sale			22-02-2019	(75,000)	1,17,75,821	1.78
	At the end of the year					1,17,75,821	1.78
7.	Vadathavoor V. S.	2,05,79,700	3.79				
	At the end of the year					1,08,97,745	1.64
8.	Vivek Vishwas Patel	0	0.00				
	Allotment under Scheme of Amalgamation			30-05-2018	97,50,000	97,50,000	1.47
	At the end of the year					97,50,000	1.47
9.	Kalyanaraman Srinivasan	88,12,200	1.62				
	Purchase			05-10-2018	8,33,000	96,45,200	1.45
	At the end of the year					96,45,200	1.45
10.	Ajay Chandra B	87,38,700	1.61				
	Sale			06-04-2018	(64,500)	86,74,200	1.31
	At the end of the year					86,74,200	1.31
11.	Shaival Mayurbhai Desai	1,40,00,000	2.58				
	Sale			06-04-2018	(6,85,000)	1,33,15,000	2.01
	Sale			13-04-2018	(2,45,000)	1,30,70,000	1.97
	Sale			20-04-2018	(91,002)	1,29,78,998	1.96
	Sale			27-04-2018	(60,000)	1,29,18,998	1.95
	Sale			25-05-2018	(70,000)	1,28,48,998	1.94
	Sale			01-06-2018	(1,05,000)	1,27,43,998	1.92
	Sale			05-10-2018	(30,00,000)	97,43,998	1.47
	Purchase			09-11-2018	4,300	97,48,298	1.47
	Sale			16-11-2018	(8,55,000)	88,93,298	1.34
	Sale			23-11-2018	(15,00,000)	73,93,298	1.11
	At the end of the year					73,93,298	1.11
12.	Polus Global Fund	67,96,440	1.25				
	Purchase			06-04-2018	2,00,000	69,96,440	1.05
	Sale			13-07-2018	(2,00,046)	67,96,394	1.02
	Purchase			27-07-2018	46	67,96,440	1.02
	At the end of the year					67,96,440	1.02

Sr. No.	Name & Type of Transactions	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date of Transactions	No. of Shares	No. of shares	% of total shares of the company*
13.	Ilesh Pursothamdas Shah	1,64,97,800	3.04				
	Purchase			22-06-2018	18,59,312	1,83,57,112	2.77
	Sale			29-09-2018	(31,26,830)	1,52,30,282	2.30
	Sale			05-10-2018	(59,83,670)	92,46,612	1.39
	Sale			12-10-2018	(14,00,000)	78,46,612	1.18
	Sale			26-10-2018	(42,45,000)	36,01,612	0.54
	At the end of the year					36,01,612	0.54
14.	Nomura Singapore Limited	1,64,97,030	3.04				
	Sale			06-04-2018	(25,00,000)	1,39,97,030	2.11
	Sale			18-05-2018	25,00,000	1,64,97,030	2.49
	Sale			10-08-2018	(10,00,000)	1,54,97,030	2.34
	Sale			07-09-2018	(5,00,000)	1,49,97,030	2.26
	Sale			14-09-2018	(5,00,000)	1,44,97,030	2.19
	Purchase			21-09-2018	(3,00,000)	1,41,97,030	2.14
	Purchase			12-10-2018	(96,25,118)	45,71,912	0.69
	Purchase			26-10-2018	(1,92,030)	43,79,882	0.66
	Purchase			02-11-2018	(20,00,000)	23,79,882	0.36
	Sale			09-11-2018	(23,79,882)	0	0.00
	Purchase			15-03-2019	26,25,000	26,25,000	0.40
	At the end of the year					26,25,000	0.40

* % of Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

Note: 1. The details of holding has been clubbed based on PAN.

2. Date of increase/decrease has been considered as the date on which actual transaction was effected.

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative shareholding during	
		No. of shares At the beginning (01-04-2018) / end of the year (31-03-2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company*
Directors								
1	Mr. Ajit Mehta	3,01,14,780	5.55	01-04-2018	NIL Movement during the year		3,01,14,780	4.54
		3,01,14,780	4.54	31-03-2019			3,01,14,780	4.54
2	Mr. Vishal Mehta@	5,99,59,400	11.05	01-04-2018	NIL Movement during the year		5,99,59,400	9.04
		5,99,59,400	9.04	31-03-2019			5,99,59,400	9.04
3	Mr. Malav Mehta	1,70,24,200	3.14	01-04-2018	NIL Movement during the year		1,70,24,200	2.57
		1,70,24,200	2.57	31-03-2019			1,70,24,200	2.57
4	Mr. Vishwas Patel	0	0.00	01-04-2018			0	0.00
				30-05-2018	7,65,95,662	Allotment under Scheme of Amalgamation	7,65,95,662	11.55
		7,65,95,662	11.55	31-03-2019			7,65,95,662	11.55
5	Mr. Keyoor Bakshi	0	0.00	01-04-2018	NIL Movement during the year		0	0.00
		0	0.00	31-03-2019			0	0.00
6	Mr. Roopkishan Dave	0	0.00	01-04-2018			0	0.00
				23-10-2018	1,000	Purchase	1,000	0.00
		1,000	0.00	31-03-2019			1,000	0.00
7	Ms. Vijaylaxmi Sheth	0	0.00	01-04-2018	NIL Movement during the year		0	0.00
		0	0.00	31-03-2019			0	0.00

Sr. No.	Shareholder's Name	Shareholding: No. of shares At the beginning (01-04-2018) / end of the year (31-03-2019)	Shareholding: % of total Shares of the Company	Date	Increase / (Decrease) in Shareholding	Reason	Cumulative shareholding during: No. of Shares	Cumulative shareholding during: % of total Shares of the Company*
8	Mr. Piyushkumar Sinha	0	0.00	01-04-2018	NIL Movement during the year		0	0.00
		0	0.00	31-03-2019			0	0.00
Key Managerial Personnel								
1	Mr. Vishal Mehta@	5,99,59,400	11.05	01-04-2018	NIL Movement during the year		5,99,59,400	9.04
		5,99,59,400	9.04	31-03-2019			5,99,59,400	9.04
2	Mr. Hiren Padhya	47,000	0.01	01-04-2018				
				06-07-2018	47,000	ESOP Allotment	94,000	0.01
		94,000	0.01	31-03-2019			94,000	0.01
3	Mr. Shyamal Trivedi	10,340	0.00	01-04-2018				
				06-07-2018	15,000	ESOP Allotment	25,340	0.00
		25,340	0.00	31-03-2019			25,340	0.00

* % of Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

@ Mr. Vishal Mehta, Managing Director has been included in the list of Directors as well as KMP.

Note: The details of holding have been clubbed based on PAN.

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(` In Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	450.00	-	-	450.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.12	-	-	0.12
Total (i+ii+iii)	**450.12**	**-**	**-**	**450.12**
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	90.00	-	-	90.00
Net Change	**90.00**	**-**	**-**	**90.00**
Indebtedness at the end of the financial year				
i) Principal Amount	360.00	-	-	360.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.11	-	-	0.11
Total (i+ii+iii)	**360.11**	**-**	**-**	**360.11**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(` In Million)

Sr. No.	Particulars of Remuneration	Mr. Vishal Mehta (Managing Director)	Mr. Vishwas Patel (Executive Director)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	**0.00**	**0.00**	**0.00**
	Ceiling as per the Act	10% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013		

B. Remuneration to other Directors

1. Particulars of Remuneration to Independent Directors

(` In Million)

Sr. No.	Particulars of Remuneration	Name of Independent Directors				Total Amount
		Mr. Keyoor Bakshi	Mr. Roopkishan Dave	Ms. Vijaylaxmi Sheth	Mr. Piyushkumar Sinha	
1	Fees for attending board and committee meetings	0.31	0.28	0.12	0.11	0.82
2	Commission	0	0	0	0	0
3	Others, please specify (Salary, bonus and contribution to PF)	0	0	0	0	0
	Total (1)	**0.31**	**0.28**	**0.12**	**0.11**	**0.82**

2. Particulars of Remuneration to Non-Executive Directors

(` In Million)

Sr. No.	Particulars of Remuneration	Name of Non-Executive Directors		Total Amount
		Mr. Ajit Mehta	Mr. Malav Mehta	
1	Fee for attending board and committee meetings	0.22	0.28	0.50
2	Commission	0	0	0
3	Others, please specify	0	0	0
	Total (2)	**0.22**	**0.28**	**0.50**
	Total (B)=(1+2)			**1.32**
	Overall Ceiling as per the Act	1% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(` In Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS	CFO	
		Mr. Shyamal Trivedi	Mr. Hiren Padhya	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.86	4.60	7.46
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	2.26	7.07	9.33
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	**5.12**	**11.67**	**16.79**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no cases for imposing any penalties / punishment / compounding of offences against the Company, Directors and any Officers for the period ending of March 31, 2019.

ANNEXURE – H

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

Sr. No.	Particulars	Status	
I	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	Number of times	
		Chairman	Nil
		Managing Director	Nil
		All other Directors	Nil
II	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	**Category**	**% increase in remuneration in the Financial Year**
		Directors	Nil
		Mr. Vishal Mehta, Managing Director	Nil
		Mr. Hiren Padhya, Chief Financial Officer	11%
		Mr. Shyamal Trivedi, Vice President & Company Secretary	11%
III	Percentage increase in the median remuneration of employees in the financial year	15%	
IV	Number of permanent employees on the rolls of Company	628	
V	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	The average increase in salaries of employees other than the managerial personnel in the last Financial Year was 16% and 11% for managerial personnel	
VI	Affirmation that the remuneration is as per the Remuneration Policy of the Company	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.	

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.

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, 2019, 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, 2019, 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 period ended March 31, 2019. 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**	**Principal Audit Procedures**
	Included on the balance sheet is an intangible assets balance of ` 19,009.61 Million as on 31 March, 2019 which relates to goodwill of ` 16,124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ` 2,885.43 million is classified as other Intangibles and Intangibles under development. The Company is required to perform impairment assessments of goodwill and intangible assets that have an indefinite useful life 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.	Focusing on Infibeam Avenues Ltd business, we understood, evaluated and validated management's key controls over the impairment assessment process. It was brought to our notice that the company had undertaken a valuation report done 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, had been appropriate. • recalculating the value in use calculations

<table>
<tr><th>Sr No</th><th>Key Audit Matter</th><th>Auditors Response</th></tr>
<tr><td></td><td>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 31 March 2019.</td><td>• 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.</td></tr>
<tr><td>2</td><td>Accuracy of recognition, measurement, presentation and disclosure of revenue and other related balances in view of adoption of IND-AS 115 “Revenue from Contracts with Customers”.</td><td><u>Principal Audit Procedures</u></td></tr>
<tr><td></td><td>The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

The company adopted IND-AS 115 and applied the available exemption provided therein, to not restate the comparative periods.</td><td>We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard on its reported revenue. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows:

• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard;

• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls;

• Selected a sample of continuing and new contracts and performed the following procedures:

a) Read, analyzed and identified the distinct performance obligations in these contracts.

b) Compared these performance obligations with that identified and recorded by the Company.

c) Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

d) Samples in respect of different types of revenue recorded were assessed with relevant documents including customer acceptances, subsequent invoicing and historical trend of collections and disputes.

e) Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</td></tr>
</table>

Sr No	Key Audit Matter	Auditors Response
3	**Recoverability of Loans and Capital advances.**	**Audit Procedure followed**
	Included on the balance sheet is Loans to related parties ` 107.80 million and Capital Advance of ` 527.1 million as on March 31, 2019. The company had given advances to its subsidiaries during the previous financial year as well as during the current financial year. These advances had further been given by these subsidiary companies to various vendors for different projects. During the quarter ended December 31, 2018 the matter was included in the Limited Review Report and management was requested to provide additional information and evidences. Pending receipt of audit evidence, comment on the recoverability of advances and consequential impact, if any, on the results for the quarter ended December 31, 2018 was made. The aggregate of Loan and capital advance amount was ` 1,223.10 million as at December 31, 2018 which has come down to ` 634.90 million as at March 31, 2019 on account of combination of receipt of relevant capital goods and repayment of loans.	We reviewed management's rational and objective for providing loans and capital advances to subsidiaries. We reviewed management's assessment of recoverability advances to subsidiaries and corroborated the same with the financials of subsidiaries. We reviewed the Company's internal control system for advancing the money to suppliers and subsidiaries and carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of these loans and advances. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows: • Review of complete details of loans and capital advances given to subsidiaries and corroborating the same with of ledger Accounts and confirmation of subsidiaries. • Review of onward payment by subsidiaries to various parties and with the supporting documents / Purchase Orders / Invoices etc. • Reviewed the procedures followed by Infibeam and subsidiaries for selection of vendors and justification of terms of payments, delivery, warranties/Guarantees etc. • Assessed present status of Advance, receipt / availability of material/services. • Obtained explanation from the management and went through the report obtained by the company from external independent expert on fund utilization. Based on our procedures, we found management's judgment around the recovery of the Loans and Capital Advance to be appropriate.
4	**Investigation in relating to certain matters such as merger and acquisition and other financial related matters.**	**Audit Procedure followed**
	During the limited review of first quarter, based on third party information received, the Joint statutory auditor M/s. S R B C & Co., LLP requested management to perform independent investigation in relation to certain matters such as merger and acquisition and other financial related matters. The management decided to carry out investigation through independent agency and appointed independent chartered accountant firm to carry out the investigation in respect of the merger and acquisition and other financial related matters. Based on report of the independent chartered accountant, management concluded that there is no impact on the financial results of the current or the previous periods and the same are not required to be restated.	We reviewed the management's rational of carrying out investigation through an independent firm of Chartered Accountants. We reviewed the scope of work and areas of investigation agreed with the independent chartered accountant firm. We evaluated the competence, capability and objectivity of the firm. We reviewed the report of the firm and procedures performed and conclusion reached by the firm. Based on our procedures, we found management's conclusion to be appropriate and no adverse findings or no adverse observations were found during investigation.

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. As 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.

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

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

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

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

Other Matter

i. The comparative financial information of the Company for the year ended March 31, 2018, included in the statement, have been audited by the Joint Auditor M/s. S R B C & Co LLP whose report for the year ended March 31, 2018 dated May 30, 2018 expressed an unmodified opinion.

ii. We have been appointed as joint auditors of the company along with M/s, S R B C & Co. LLP, Chartered Accountants (the 'joint auditor'). The Board of Directors in their meeting held on May 5, 2019 has recommended to terminate Company's joint statutory auditor M/s. S R B C & CO., LLP. The termination is subject to approval of Central Government and shareholders. As informed to us, the shareholders have approved the recommendation of the Board of Directors in the Extra Ordinary General Meeting held on May 30, 2019 and approval of the Central Government is yet to be received as on the date of this report. In view of the above circumstances, the report of joint auditor on these financial statements is not available. Pending receipt of the approval of Central Government and non availability of the report of joint auditor, we have issued separate audit report.

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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      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.

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

      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
Firm Registration No: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
Place of Signature: Gandhinagar
Date: May 30, 2019

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 31 March 2019, 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 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 two 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 Company 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. Further, based on the information and explanations given to us and based on legal opinion obtained by the Company, the Company being a technology related infrastructure company, provision of Section 186 (except sub-section (1) of Section 186) of the Companies Act, 2013 is not applicable to the Company and hence not commented upon. 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, service tax, 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 goods and services tax, 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 duty of excise 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 31 March 2019, for a period of more than six months from the date they became payable except professional tax of ` 0.1 Mn.

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 other than those mentioned below:

Name of Statute	Income Tax Act, 1961
Nature of Dues	Income Tax Demands
Amount involved	3.32 millions
Period to which amount pertains	2012-13 and 2013-14
Forum where dispute is pending	Commissioner of Income Tax (Appeals)

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) According to information and explanations given by the management and confirmation of the monitoring bank, monies raised by the Company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in fixed deposits. The maximum amount of idle/surplus funds invested during the year was ` 902.5 million of which ` 251.5 million was outstanding at the end of the year. Further, according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. 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 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. According to the information and explanations given by the management, we report that the amounts raised in the previous year have been utilized during the year for the purposes for which the funds were raised.

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
Firm Registration No: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
Place of Signature: Gandhinagar
Date: May 30, 2019

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 IND AS financial controls with reference to standalone financial statements of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Ltd) ("the Company") as of March 31, 2019 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 with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the standalone IND AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to 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 with reference to 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system with reference to standalone IND AS financial statements and such internal financial controls with reference to standalone IND AS financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Shah & Taparia**
Chartered Accountants
Firm Registration No: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
Place of Signature: Gandhinagar
Date: May 30, 2019

Balance Sheet

as at March 31, 2019

(` in million)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
I. Non-current assets			
Property, Plant and Equipment	5	1,608.00	1,624.39
Capital work-in-progress	5	217.14	233.10
Goodwill	6	16,124.18	16,124.18
Other intangible assets	6	2,778.07	2,440.47
Intangible assets under development	6	107.36	100.46
Financial assets			
Investments	7	1,535.60	744.49
Other financial assets	7	93.53	220.58
Income tax assets (net)	9	116.15	47.92
Other non-current assets	8	893.48	1,333.30
Total non-current assets		**23,473.51**	**22,868.89**
II. Current assets			
Financial assets			
Investments	7	-	2.10
Trade receivables	7	124.14	379.55
Cash and cash equivalents	7	1,228.64	879.48
Other bank balances	7	10.75	212.63
Loans	7	113.35	1,356.35
Others financial assets	7	758.63	613.59
Other current assets	8	2,645.94	2,159.69
Total current assets		**4,881.45**	**5,603.39**
Assets classified as held for sale	7	1,583.74	-
Total Assets		**29,938.70**	**28,472.28**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	663.39	542.78
Other equity	11	25,331.95	25,186.70
Total equity		**25,995.34**	**25,729.48**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
Borrowings	12	263.70	351.60
Provisions	13	42.12	26.70
Deferred Tax Liabilities (net)	24	187.41	94.12
Total non-current liabilities		**493.23**	**472.42**
II. Current liabilities			
Financial liabilities			
Borrowings	12	87.90	217.90
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	12	3.07	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12	26.71	34.70
Other financial liabilities	12	213.38	97.65
Provisions	13	4.78	6.52
Income tax liabilities (net)	9	47.75	48.36
Other current liabilities	14	3,066.55	1,865.25
Total current liabilities		**3,450.14**	**2,270.38**
Total equity and liabilities		**29,938.70**	**28,472.28**
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 30, 2019

Vishal Mehta
Managing Director
DIN: 03093563
Gandhinagar
Date: May 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Statement of Profit and Loss

for the year ended March 31, 2019

(` in million)

Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	15	5,446.56	3,058.56
Other income	16	92.42	269.53
Total income (I)		**5,538.98**	**3,328.09**
Expenses			
Payment Gateway Processing Charges		3,805.52	1,785.43
Employee benefits expense	17	432.43	254.67
Finance costs	18	46.81	36.81
Depreciation and Amortization expense	19	464.17	432.61
Other expenses	20	313.16	420.30
Total expenses (II)		**5,062.09**	**2,929.82**
Profit / (loss) before exceptional item and tax (III) = (I-II)		**476.89**	**398.27**
Exceptional items	20	(140.00)	-
Profit before tax (IV)		**616.89**	**398.27**
Tax expense			
Current tax			
- for current year	24	133.35	82.04
- for previous year	24	-	1.43
Deferred tax (net)	24	94.34	180.06
Total tax expense (V)		**227.69**	**263.53**
Profit for the year (VI) = (IV-V)		**389.20**	**134.74**
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		(4.28)	0.85
Income tax effect	24	-	(0.29)
Total other comprehensive income for the year, net of tax (VII)		(4.28)	0.56
Total comprehensive income for the year, net of tax (VI+VII)		**384.92**	**135.30**
Earning per equity share [nominal value per share ` 1/- (March 31, 2018: ` 1/-)]			
Basic	27	0.58	0.21
Diluted	27	0.57	0.20
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

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Company Secretary
Gandhinagar
Date: May 30, 2019

Statement of changes in Equity

for the year ended March 31, 2019

A. Equity share capital

(` in million)

Balance	Note 10
As at March 31, 2017	**538.94**
Issue of Equity Share capital	3.84
As at March 31, 2018	**542.78**
Issue of Equity Share capital	120.61
As at March 31, 2019	**663.39**

B. Other equity

(` in million)

Particulars	Attributable to the equity holders of the parent								Total equity
	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Issue of Shares on Amalgamation	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Balance as at April 1, 2017	**300.18**	**7,262.46**	**93.64**	**(145.64)**	**-**	**-**		**-**	**7,510.64**
Profit for the period		-	-	134.74	-			-	**134.74**
Other comprehensive income for the year			-	0.56	-			-	**0.56**
Total Comprehensive income for the year	-	-	-	135.30	-			-	**135.30**
Employee compensation expense for the year	64.79	-	-		-			-	**64.79**
Transfer to securities premium on exercise of options	(159.53)	159.53	-	-					**-**
Shares required to be issued as per Scheme of Amalgamation (refer note 36)	-	-	-	-	119.86			-	**119.86**
Premium on shares to be issued as per Scheme of Amalgamation (refer note 36)					17,595.45				**17,595.45**
Interim Dividend Paid including taxes		-	-	(65.47)	-			-	**(65.47)**
(Purchase)/sale of treasury shares by the trust during the year (net)						(278.71)			**(278.71)**
Money Received against Share warrants	-	-	-	-				100.00	**100.00**
Corpus received of SAR Trust							-*		**-**
Adjustment on account of change in tax rate on IPO expense adjusted to securities premium	-	4.84	-	-	-			-	**4.84**
On lapse of stock options	(0.48)		0.48						**-**
Balance as at March 31, 2018	**204.96**	**7,426.83**	**94.12**	**(75.81)**	**17,715.31**	**(278.71)**	**-***	**100.00**	**25,186.70**
Profit for the period				389.20					**389.20**
Other comprehensive income for the year				(4.28)					**(4.28)**
Total Comprehensive income for the year				384.92					**384.92**
Employee compensation expense for the year	76.43								**76.43**

(` in million)

Particulars	Attributable to the equity holders of the parent								Total equity
	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Issue of Shares on Amalgamation	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Transfer to securities premium on exercise of options	(31.08)	31.08							-
Shares required to be issued as per Scheme of Amalgamation (refer note 36)					(119.86)				**(119.86)**
Premium on shares issued as per Scheme of Amalgamation (refer note 36)		17,595.45			(17,595.45)				-
Final Dividend Paid including taxes				(79.97)					**(79.97)**
(Purchase)/sale of treasury shares by the trust during the year (net)						(117.35)			**(117.35)**
Adjustment on account of change in tax rate on IPO expense adjusted to securities premium		1.05							**1.05**
On lapse of stock options	(11.10)		11.10						-
Balance as at March 31, 2019	**239.21**	**25,054.41**	**105.22**	**229.14**	**-**	**(396.06)**	**-***	**100.00**	**25,331.92**

* 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 Reserve". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium Reserve 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 30, 2019

For and on behalf of the board of directors of
Infibeam Avenues Limited
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CIN: L64203GJ2010PLC061366

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Managing Director
DIN: 03093563
Gandhinagar
Date: May 30, 2019

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Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Statement of Cash Flows

for the year ended March 31, 2019

(` in million)

Particulars	March 31, 2019	March 31, 2018
A Operating activities		
Profit before taxation	616.89	398.27
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	464.17	432.61
ESOP expense(net)	34.87	12.43
Finance costs	46.81	36.81
Interest Income	(56.56)	(90.03)
Short term capital gain on sale of mutual fund	(6.56)	(2.54)
Profit on sale of Investment in subsidiary	(182.20)	-
Loss on sale of Investment in associate	10.75	-
Provision for diminution in value of investment in subsidiary	31.45	-
Unrealised foreign currency loss / (gain)	(0.16)	(2.11)
Gain on fair value of Investment	-	(169.23)
Balances written off	4.53	57.44
Allowance for doubtful debts	12.83	22.32
Operating profit before working capital changes	**976.82**	**695.97**
Adjustments for:		
Increase / (decrease) in trade and other payables	1,311.98	206.17
Movement in provisions	9.40	10.77
Increase in trade receivables	241.17	(209.92)
(Increase) / decrease in other assets	(540.00)	(527.99)
Net changes in working capital	**1022.55**	**(520.97)**
Cash generated from operations	1,999.37	175.00
Direct Taxes paid (Net of Income Tax refund)	(202.19)	(143.69)
Net cash from operating activities	**1,797.18**	**31.31**
B Cash flow from investing activities		
Payment for acquisition of property, plant and equipment and intangible asset (including capital work-in-progress and intangible under development)	(262.61)	(1,206.92)
Loans and advances given to subsidiaries	2,441.99	(3,400.98)
Repayment of Loans and advances by subsidiaries	(1,199.54)	3,553.91
Repayment of Loans and advances by others	0.55	-
Interest received	57.03	102.28
Fixed deposits with bank (net)	201.88	1,593.19
Investments for acquisition of shares	(2,234.87)	(350.36)
Proceeds from buyback of Shares	0.02	-
Purchase of mutual fund	(1,352.50)	(525.81)
Proceeds from sale of mutual fund	1,361.16	526.25
Net cash flow from Investing Activities	**(986.89)**	**291.56**

(` in million)

Particulars	March 31, 2019	March 31, 2018
C Cash flow from financing activities		
Dividend Paid	(65.93)	(54.11)
Dividend Distribution Tax Paid	(13.86)	(11.36)
Proceeds from exercise of ESOP	0.75	3.84
Treasury Shares & corpus	(117.35)	(278.71)
Money Received against share warrants	-	100.00
Interest paid	(46.83)	(37.69)
Proceeds / Repayment of borrowings (net)	(217.91)	(280.50)
Net cash flow form financing activities	**(461.13)**	**(558.53)**
Net increase / (decrease) in cash & cash equivalents (A+B+C)	**349.16**	**(235.66)**
Cash & Cash equivalent at the beginning of the period	879.48	756.87
Cash & Cash equivalent pursuant to Scheme of Amalgamation	-	358.27
Cash & Cash equivalent at the end of the period	**1,228.64**	**879.48**

1. 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 Accountant of India.

(` in million)

Particulars	March 31, 2019	March 31, 2018
2. Cash and cash equivalents comprise of: (Note 7)		
Balance with Bank		
a) Current accounts	522.29	618.84
b) Balance with bank in nodal accounts	706.12	155.36
Cheques on hand	-	105.00
Cash on hand	0.23	0.28
Cash and cash equivalents	**1,228.64**	**879.48**

As per our report of even date

For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
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Date: May 30, 2019

For and on behalf of the board of directors of
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Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Notes to the Financial Statements

for the year ended March 31, 2019

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 30, 2019.

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 ('INR') 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.

Notes to the Financial Statements

for the year ended March 31, 2019

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 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 ` 133.35 million (March 31, 2018: ` 82.04 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.

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;

Notes to the Financial Statements

for the year ended March 31, 2019

- 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.

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 account standards. 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

Notes to the Financial Statements

for the year ended March 31, 2019

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 INR, 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.

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

Notes to the Financial Statements

for the year ended March 31, 2019

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 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.

Notes to the Financial Statements

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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
- Trademark acquired on Amalgamation - 25 years
- IT Platform acquired on Amalgamation - 5 years
- Customer Relationship acquired on Amalgamation - 10 years
- Internally generated Computer Software - 5 years

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

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

Company as a lessor

Leases in which the Company 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.

4.8. Non-current assets held for sale

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.

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

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for the year ended March 31, 2019

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.

4.10. 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

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.

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

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existence of enforceable right to payment for performance to date as per contract.

Refer note 42(e) for impact on adoption of Ind AS 115.

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.

4.12. 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, 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.

(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:

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for the year ended March 31, 2019

- 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.

  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

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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 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

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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.

4.13. 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.

4.14. 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.

4.15. 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.

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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

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date. All other acquired tax benefits realised are recognised in profit or loss.

4.16. 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 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.

4.17. 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

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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 grant. Compensation cost, if any, is amortised over the vesting period.

4.18. 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.

4.19. 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.

4.20. 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.

4.21. 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

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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.

4.22. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The effect of this amendment on the financial statements of the Company is being evaluated.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in

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Accounting Estimates and Errors, without using hindsight, and

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

Further, the amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Company does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Company does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Company does not expect any impact from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes to the Financial Statements

for the year ended March 31, 2019

5. Property, plant and equipment

(` in million)

Particulars	Building	Vehicles	Electronic Equipment	Furniture & fixture	Leasehold improvements	Office equipment	Computer, server & network	Capital Work in Progress	Total
Cost									
As at March 31, 2017	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**988.85**	**988.85**
Acquired on Amalgamation (refer note 36)	-	11.46	1.58	28.55	17.86	11.52	40.98	-	111.95
Additions	1,535.69	-	27.16	36.42	14.92	0.35	6.13	855.15	2,475.82
Capitalized	-	-	-	-	-	-	-	(1,610.90)	(1,610.90)
As at March 31, 2018	**1,535.69**	**11.46**	**28.74**	**64.97**	**32.78**	**11.87**	**47.11**	**233.10**	**1,965.72**
Additions	91.79	-	0.31	2.10	0.26	2.84	10.96	63.86	172.12
Capitalized	-	-	-	-	-	-	-	(79.82)	(79.82)
As at March 31, 2019	**1,627.48**	**11.46**	**29.05**	**67.07**	**33.04**	**14.71**	**58.07**	**217.14**	**2,058.02**
Depreciation									
As at March 31, 2017	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	36.29	4.84	4.81	18.72	14.25	6.41	22.91	-	108.23
As at March 31, 2018	**36.29**	**4.84**	**4.81**	**18.72**	**14.25**	**6.41**	**22.91**	**-**	**108.23**
Depreciation for the year	77.34	2.74	9.05	13.29	4.26	3.87	14.10	-	124.65
As at March 31, 2019	**113.63**	**7.58**	**13.86**	**32.01**	**18.51**	**10.28**	**37.01**	**-**	**232.88**
Net Block									
As at March 31, 2019	**1,513.85**	**3.88**	**15.19**	**35.06**	**14.53**	**4.43**	**21.06**	**217.14**	**1,825.14**
As at March 31, 2018	**1,499.40**	**6.62**	**23.93**	**46.25**	**18.53**	**5.46**	**24.20**	**233.10**	**1,857.49**

Net book value

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Property, Plant and Equipment	1,608.00	1,624.39
Capital Work-in-progress	217.14	233.10

Capital work-in-progress for property, plant and equipment as at March 31, 2019 comprises expenditure for data centre equipment and related infrastructure in the course of construction.

Notes to the Financial Statements

for the year ended March 31, 2019

6. 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, 2017	**-**	**329.43**	**-**	**-**	**-**	**67.03**	**396.46**
Acquired on Amalgamation (refer note 36)	16,124.18	19.63	360.10	597.80	1,563.10	-	18,664.81
Additions	-	0.41	-	-	-	33.43	33.84
As at March 31, 2018	**16,124.18**	**349.47**	**360.10**	**597.80**	**1,563.10**	**100.46**	**19,095.11**
Additions	-	677.12	-	-	-	6.90	684.02
As at March 31, 2019	**16,124.18**	**1,026.59**	**360.10**	**597.80**	**1,563.10**	**107.36**	**19,779.13**
Amortisation							
As at March 31, 2017	**-**	**105.62**	**-**	**-**	**-**	**-**	**105.62**
Amortisation for the Year	-	72.14	72.02	23.91	156.31	-	324.38
As at March 31, 2018	**-**	**177.76**	**72.02**	**23.91**	**156.31**	**-**	**430.00**
Amortisation for the Year	-	87.28	72.02	23.91	156.31	-	339.52
As at March 31, 2019	**-**	**265.04**	**144.04**	**47.82**	**312.62**	**-**	**769.52**
Net Block							
As at March 31, 2019	**16,124.18**	**761.55**	**216.06**	**549.98**	**1,250.48**	**107.36**	**19,009.61**
As at March 31, 2018	**16,124.18**	**171.71**	**288.08**	**573.89**	**1,406.79**	**100.46**	**18,665.11**

Net book value

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Goodwill	16,124.18	16,124.18
Intangible assets	2,778.07	2,440.47
Intangible assets under development	107.36	100.46

Intangible assets under development as at March 31, 2019 comprises expenditure for the development of computer software i.e. IT framework.

Goodwill arising on Amalgamation

Goodwill includes goodwill arising on amalgamation of Avenues (India) Private Limited fully described in note 36 of the financial statements. 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 generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculations are based on financial forecasts. Cash flow projections take into account past experience and represent managements' best estimate about future developments.

Notes to the Financial Statements

for the year ended March 31, 2019

7. Financial assets

7 - Investments

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
Investment stated at cost		
(A) Investment in Equity Instrument		
a. Investment in Subsidiaries (Unquoted)		
Infibeam Logistics Private Limited		
3,75,09,990 (March 31, 2018 :10,000) equity shares	375.10	0.10
Infibeam Digital Entertainment Private Limited		
3,145,000 (March 31, 2018 : 3,145,000) equity shares	31.45	31.45
Less: Provision for diminution in value of investments in equity shares	(31.45)	-
Infinium India Limited (refer note 41)		
Nil (March 31, 2018 :13,499,993) equity shares	-	120.80
Odigma Consultancy Solutions Private Limited		
10,000 (March 31, 2018 :10,000) equity shares	0.10	0.10
NSI Infinium Global Private Limited*		
Nil (March 31, 2018 : 14,375) equity shares	-	0.14
DRC Systems India Private Limited		
6,88,500 (March 31, 2018 : Nil) equity shares	30.60	-
Vavian International Limited		
10,000 (March 31, 2018 : Nil) equity shares	209.98	-
Infibeam Global EMEA FZ - LLC*		
Nil (March 31, 2018 : 18,033) equity shares	-	321.31
Avenues Infinite Private Limited		
2,000,000 (March 31, 2018 : 2,000,000) equity shares (refer note 36)	10.00	10.00
Less: Provision for diminution in value of investments in equity shares of Avenues Infinite Private Limited	(10.00)	(10.00)
	615.78	**473.90**
b. Investment in Associates (Unquoted)		
Instant Global Paytech Private Limited		
14,400 (March 31, 2018: Nil) equity shares	60.00	-
Avenues Payments India Private Limited		
34,791 (March 31, 2018 : 36,541) equity shares (refer note 36)	214.03	224.80
	274.03	**224.80**
(B) Investment in Preference Instrument in Associates (Unquoted)		
Avenues Payments India Private Limited		
4,876 (March 31, 2018 : 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 (March 31, 2018 : 220,625) equity shares (refer note 36)	15.79	15.79
	15.79	**15.79**
Ingenius E-Commerce Private Limited		
197,400 (March 31, 2018 : Nil) equity shares	600.00	-
	600.00	-
Total Non - Current Investments	**1,535.60**	**744.49**

Notes to the Financial Statements

for the year ended March 31, 2019

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
CURRENT		
Investment stated at Fair Value through Profit and Loss (FVTPL)		
a. **Investment in fully paid up units of mutual funds (Quoted)**	-	2.10
Total Current Investments	**-**	**2.10**
Assets classified as held for sale		
Investment in equity shares (unquoted) held for sale - carried at lower of cost or net-realisable value		
NSI Infinium Global Private Limited*		
17,120 (March 31, 2018 : Nil) equity shares	907.88	-
Infibeam Global EMEA FZ - LLC*		
36,016 (March 31, 2018 : Nil) equity shares	675.86	-
	1,583.74	**-**
Total Investments	**3,119.34**	**746.59**
Total non-current investment	**1,535.60**	**744.49**
Aggregate amount of unquoted investments	1,577.05	754.49
Impairment of investment	41.45	10.00
Total current investment	-	2.10
Aggregate amount of unquoted investments	-	2.10

* The investment in NSI Infinium Global Private Limited and Infibeam Global EMEA FZ - LLC are classified as held for sale as they meet the criteria laid out under Ind AS 105. (refer note 40)

7 - Loans

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Unsecured, considered good		
Loans to related parties*	107.80	1,350.25
Loan to others**	5.55	6.10
	113.35	1,356.35
Total Loans	**113.35**	**1,356.35**

* 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)

** The above loans are unsecured, repayable on demand, carrying interest @ 11% and the same has been given for the purpose of business operations.

Notes to the Financial Statements

for the year ended March 31, 2019

7 - Other financial assets

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Unsecured, considered good		
Security Deposits*	1.20	0.75
Bank deposits with original maturity of more than 12 months (including accrued interest)	92.33	219.83
	93.53	**220.58**
Current		
Unsecured, considered good		
Security deposits*	4.70	2.52
Unbilled revenue	178.33	94.83
Advance to employees	2.91	10.50
Bank deposits maturing within 12 months from reporting date (including accrued interest) #	566.90	436.11
Receivable from subsidiary company for reimbursement of expenses (net) (refer note 26)	1.52	0.24
Other receivable	-	67.17
Interest accrued on FD with original maturity of more than 3 months but less than 12 months.	4.27	2.22
Unsecured, considered doubtful		
Security deposits	1.35	1.35
Less: Allowance for doubtful security deposits	(1.35)	(1.35)
	758.63	**613.59**
Total other financial assets	**852.16**	**834.17**

* pertains to deposit given to director of the Company (refer note 26)
Refer note 38 for details of IPO related funds.
Fixed deposits of ` 46.92 million (March 31, 2018: ` 306.36 million) are under lien against bank guarantee issued.

7 - Trade receivables

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Unsecured, considered good	124.14	379.55
Unsecured, which are credit impaired	**41.59**	**28.76**
	165.73	408.31
Less : Allowance for doubtful debts	(41.59)	(28.76)
Total Trade receivables	**124.14**	**379.55**

(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

7 - Cash and cash equivalent

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Bank		
Current accounts*	522.29	618.84
Balance with bank in Nodal Accounts	706.12	155.36
Cheques on hand	-	105.00
Cash on hand	0.23	0.28
Total cash and cash equivalents	**1,228.64**	**879.48**

* Refer note 38 for details of IPO related funds

Notes to the Financial Statements

for the year ended March 31, 2019

7 - Other bank balance

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity of more than three months but less than 12 months (Refer notes below)	10.56	212.62
Earmarked balances for unclaimed dividend	0.19	0.01
Total other bank balances	**10.75**	**212.63**

(1) Fixed deposit of ` 10.56 million (March 31, 2018: ` 0.20 million) are under lien against bank guarantee issued.

Refer note 38 for details of IPO related funds.

7 - Financial assets by category

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2019				
Investments				
- Equity shares	889.81	615.79	-	-
- Prefrence shares	30.00	-	-	-
- Mutual fund	-	-	-	-
Trade receivables	-	-	-	124.14
Loans	-	-	-	113.35
Cash and cash equivalents and other bank balances	-	-	-	1,239.39
Other financial assets	-	-	-	852.16
Total Financial assets	**919.81**	**615.79**	**-**	**2,329.04**

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2018				
Investments				
- Equity shares	698.70	15.79	-	-
- Prefrence shares	30.00	-	-	-
- Mutual fund	-	-	2.10	-
Trade receivables	-	-	-	379.55
Loans	-	-	-	1,356.35
Cash and cash equivalents and other bank balances	-	-	-	1,092.11
Other financial assets	-	-	-	834.17
Total Financial assets	**728.70**	**15.79**	**2.10**	**3,662.18**

For Financial instruments risk management objectives and policies, refer Note 33

Notes to the Financial Statements

for the year ended March 31, 2019

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33.

8. Other assets

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Capital advances*	818.98	1,332.69
Prepaid expense	74.50	0.61
Total Non-current asset	**893.48**	**1,333.30**
Current		
Unsecured, considered good		
Advance to suppliers	571.13	733.99
Less : Allowance for doubtful advances	(2.99)	-
Balance with government authorities - GST receivable	146.01	122.27
Receivable for settlement of payment gateway transaction (refer note 37)	1,868.50	1,282.28
Export incentive receivable	25.28	14.29
Rent Deposit Receivable	0.10	-
Prepaid expenses	37.91	6.86
Total current asset	**2,645.94**	**2,159.69**
Total	**3,539.42**	**3,492.99**

* Refer note 26 for advances given to related parties

9. Income taxes

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax paid in advance (net of provision) (refer note 24)	116.15	47.92
Total	**116.15**	**47.92**
Provision for tax (net of advance tax) (refer note 24)	47.75	48.36
Total	**47.75**	**48.36**

10. Equity share capital

Particulars	As at March 31, 2019		As at Mar 31, 2018	
	No. of shares	(` in million)	No. of shares	(` in million)
Authorised share capital*				
Equity shares of Re. 1 each	897,500,000	897.50	680,000,000	680.00
0.01% Cumulative Compulsorily Convertible Preference Shares of ` 10 each	250,000	2.50	250,000	2.50
Issued and subscribed share capital				
Equity shares of Re.1 each	663,392,240	663.39	542,783,390	542.78
Subscribed and fully paid up				
Equity shares of Re.1 each	663,392,240	663.39	542,783,390	542.78
Total	**663,392,240**	**663.39**	**542,783,390**	**542.78**

* represents authorised share capital as per scheme of arragement 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

Notes to the Financial Statements

for the year ended March 31, 2019

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2019		As at Mar 31, 2018	
	No. of shares	(` in million)	No. of shares	(` in million)
At the beginning of the period	542,783,390	542.78	538,939,200	538.94
Add :				
Shares allotted pursuant to exercise of Employee Stock Option Plan	748,850	0.75	3,844,190	3.84
Shares issued as per scheme of amalgamation (refer note 36)	119,860,000	119.86	-	-
Outstanding at the end of the period	663,392,240	663.39	542,783,390	542.78

10.2. Terms/Rights attached to the equity shares

The Company has equity shares having a par value of ` 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. Terms/Rights attached to preference shares

Each convertible preference share has a par value of ` 10 and is convertible at the option of the shareholders into one Equity shares of the Company . The preference shares carry a dividend of 0.01% per annum, payable annually. The dividend rights are cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation. These, however are not issued.

10.4. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Ajit C Mehta	30,114,780	4.54	30,114,780	5.55
Vishal A Mehta	59,959,400	9.04	59,959,400	11.05
Jayshree Mehta	30,114,780	4.54	30,114,780	5.55
Infinium Motors Private Limited	53,047,220	8.00	53,047,220	9.77
Vishwas A Patel	76,595,662	11.55	-	-

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.

10.5. 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. Also refer note 36, for shares issued under business combination.

10.6. Distribution made and proposed

(` in million)

Particulars	31 March 2019	31 March 2018
Cash dividends on Equity Shares declared and paid:		
Final dividend for Year Ended March 31, 2018: ` 0.10 Per share (March 31, 2017: ` Nil Per Share)	66.34	-
Less: Paid to IEW Trust (refer note 29)	(0.23)	-
Net final dividend paid	66.11	-
Interim dividend for Year Ended March 31, 2019: ` Nil Per share (March 31, 2018: ` 0.10 Per Share)	-	54.28
Less: Paid to IEW Trust (refer note 29)	-	(0.17)
Net interim dividend paid		54.11
Proposed dividends on Equity Shares:		
Final cash dividend for March 31, 2018: ` 0.10 per share (including Payable to IEW trust) (March 31, 2017: ` Nil Per Share)		54.28

Note: Refer note 26 for dividend paid to related party

Notes to the Financial Statements

for the year ended March 31, 2019

11. Other Equity

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
General reserve		
Opening balance	94.12	93.64
Add: Addition on account of lapse of options	11.10	0.48
Balance at the end of the year	**105.22**	**94.12**
Securities premium		
Opening balance	7,426.83	7,262.46
Add: on exercising of options	31.08	159.53
Add: on issue of shares as per Scheme of Amalgamation (refer note 36)	17,595.45	-
Add: Adjustment on account of change in tax rate on IPO expense adjusted to securities premium	1.05	4.84
Balance at the end of the year	**25,054.41**	**7,426.83**
Issue of Shares on Amalgamation (Refer Note 36)		
Opening balance	17,715.31	-
Shares issued as per Scheme of Amalgamation	(119.86)	119.86
Premium on shares issued as per Scheme of Amalgamation	(17,595.45)	17,595.45
Balance at the end of the year	**-**	**17,715.31**
Employees Stock Options Outstanding (Net)- (refer note 28)		
Opening balance	204.96	300.18
Add : Employee compensation expense for the year	76.43	64.79
Less: Transfer to securities premium on exercise of options	(31.08)	(159.53)
Less: Reversal due to lapse of options	(11.10)	(0.48)
Balance at the end of the year	**239.21**	**204.96**
Treasury Shares (refer note 29)		
Opening balance	(278.71)	-
Add : (Purchase) of treasury shares by the trust during the year	(117.35)	(278.71)
Balance at the end of the year	**(396.06)**	(278.71)
Money received against share warrants	**100.00**	**100.00**
IEW Trust Reserve (refer note 29)		
Opening balance	-*	-
Add : Received during the year	-	-*
Balance at the end of the year	**-***	**-***
Retained earnings		
Opening balance	(75.81)	(145.64)
Add: Profit for the year	389.20	134.74
Add: OCI for the year	(4.28)	0.56
	309.11	**(10.34)**
Less: Appropriation		
Dividend paid (refer note 26)	(66.11)	(54.11)
Dividend distribution tax	(13.86)	(11.36)
Balance at the end of the year	**229.14**	**(75.81)**
Total	**25,331.95**	**25,186.70**

* 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 Reserve". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium Reserve and the Company can use this reserve for buy-back of shares

Notes to the Financial Statements

for the year ended March 31, 2019

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 recognise the grant date fair value of options issued to employees under 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 ` 400 Million. The Company has recived ` 100 Million on March 28, 2018 and alloted warrants for the same on March 29, 2018.

12. Financial liabilities

12 - Borrowings

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	263.70	351.60
Total long-term borrowings	**263.70**	**351.60**
Short-term Borrowings		
Secured		
Term loan from bank (refer note below)	87.90	87.90
Under LC arrangement	-	130.00
Total short-term borrowings	**87.90**	**217.90**
Total	**351.60**	**569.50**

Terms of borrowings:

Term Loan:
The company has a Rupee Term Loan facility of ` 427.5 million (previous year ` 2250 million) from Indusind Bank Limited. The facility carries interest of 10.65%. 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.

LC arrangement
During the previous year, the Company had availed letter of credit from HDFC Bank Ltd for INR 130 million towards purchase of Capital Assets expiring at 175 days from acceptance date. The same was secured against fixed deposit of INR 26 million.

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.

Notes to the Financial Statements

for the year ended March 31, 2019

12 - Trade payable

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	3.07	
Total outstanding dues of creditors other than micro enterprises and small enterprises	26.71	34.70
Total	**29.78**	**34.70**

(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, 2019	As at March 31, 2018
Current		
Payable to employees	29.51	19.61
Provision for expenses	81.30	46.34
Interest accrued and due on term loan	0.11	0.12
Creditor for capital goods	28.26	6.48
Security deposits from merchants	7.70	7.50
Unpaid dividends	0.19	0.01
Other payables	66.31	17.59
Total current financial liabilities	213.38	97.65
Total	**213.38**	**97.65**

12 - Financial liabilities by category

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2019			
Borrowings	-	-	351.60
Trade payable	-	-	29.78
Other financial liabilities	-	-	213.38
Total Financial liabilities	**-**	**-**	**594.76**

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2018			
Borrowings	-	-	569.50
Trade payable	-	-	34.70
Other financial liabilities	-	-	97.65
Total Financial liabilities	**-**	**-**	**701.85**

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 March 31, 2019

13. Provisions

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Non - current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	42.12	26.70
Total Non Current Provisions	42.12	26.70
Current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	4.78	6.52
Total Current Provisions	4.78	6.52
Total	**46.90**	**33.22**

14. Other current liabilities

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	68.54	0.62
Statutory dues including provident fund and tax deducted at source	43.95	125.69
Payable for settlement of payment gateway transaction (refere note 37)	2,726.89	1,732.25
Excess billing over revenue	227.17	6.69
Total	**3,066.55**	**1,865.25**

15. Revenue from operations

(` in million)

Particulars	2018-19	2017-18
Sale of services	5,422.08	3,046.79
Other operating revenue		
Export incentive	24.48	11.77
	24.48	**11.77**
Total	**5,446.56**	**3,058.56**

16. Other income

(` in million)

Particulars	2018-19	2017-18
Interest income on:		
- Bank deposits	56.46	89.47
- Others	0.10	0.56
Exchange gain/loss	13.93	-
Short Term Capital Gain on sale of mutual funds	6.56	2.54
Rental Income**	12.14	6.96
Gain on fair value of Investment#	-	169.23
Miscellaneous income	3.23	0.77
Total	**92.42**	**269.53**

** The Company has entered into lease agreement for office premises with its subsidiary 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 recognised in the Statement of Profit and Loss for the year amounts to ` 12.14 Million (March 31, 2018: ` 6.96 Million). (refer note 26)

#Fair valuation of investment in CCPS on account of step up acquisition of equity shares of Avenues India Private Limited (refer note 36)

Notes to the Financial Statements

for the year ended March 31, 2019

17. Employee benefits expense

(` in million)

Particulars	2018-19	2017-18
Salaries, wages and bonus^	383.19	230.47
Contribution to provident fund and other funds (refer note 25)	10.36	8.68
Share based payments to employees* (refer note 28)	34.87	12.43
Staff welfare expenses	4.01	3.09
Total	**432.43**	**254.67**
^Salaries,wages and bonus (net of capitalisation)		
Salaries,wages and bonus	390.09	258.44
less : Cost capitalised	(6.90)	(27.97)
Salaries,wages and bonus cost for the year	**383.19**	**230.47**
* Employee stock option outstanding expenses		
Share based payment expense	76.43	64.79
less : Cost capitalised	-	(5.46)
less : Expense recovered from the subsidary/associate companies	(41.56)	(46.90)
ESOP cost for the year	**34.87**	**12.43**

18. Finance costs

(` in million)

Particulars	2018-19	2017-18
Interest expense on:		
- Bank Loan	41.83	32.84
- Statutory dues	2.88	3.22
Other borrowing cost	2.10	0.75
Total	**46.81**	**36.81**

19. Depreciation and Amortization expense

(` in million)

Particulars	2018-19	2017-18
Depreciation on Tangible assets (refer note 5)	124.65	108.23
Amortization on Intangible assets (refer note 6)	339.52	324.38
Total	**464.17**	**432.61**

20. Other expenses

(` in million)

Particulars	2018-19	2017-18
Bank charges	0.97	5.81
Communication expenses	6.85	4.97
CSR expenses (refer note 32)	3.45	1.38
Legal and consultancy expenses	52.13	48.27
Office expenses	17.16	11.93
Payments to auditors - statutory audit fees (refer note below)	5.67	6.12
Rent (refer note 31)	10.15	9.96
Rate and taxes	30.79	8.30
Web hosting and server support expense	23.88	25.93
Advertisement expenses	79.12	43.73
Online digital marketing expenses	-	52.62
Sales promotion expenses	0.04	6.10
Net foreign exchange loss	-	14.74
Electricity expenses	12.30	6.53
Traveling expenses	11.66	11.88
Platform licensing fees	-	45.00
Service charges	7.43	6.46
Allowance for bad debts expenses	12.83	22.32

Notes to the Financial Statements

for the year ended March 31, 2019

(` in million)

Particulars	2018-19	2017-18
Web services expenses	29.34	26.48
Balances / Bad Debts written off	4.53	57.44
Miscellaneous expenses	4.86	4.33
Total	**313.16**	**420.30**

Payment to auditors

(` in million)

Particulars	2018-19	2017-18
As auditor:		
Audit fees	1.50	1.95
Limited review	3.90	3.90
Reimursement of expense	0.27	0.27
Total	**5.67**	**6.12**

Exceptional items

(` in million)

Particulars	2018-19	2017-18
Profit on sale of Investment in subsidiary	(182.20)	-
Loss on sale of Investment in associate	10.75	-
Provision for diminution in value of investment in subsidiary	31.45	-
Total	**(140.00)**	**-**

21. Contingent liabilities

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts	-	20.00
b. Guarantees given by bank on behalf of the Company	-	-

One of the party had filed civil suit against Company and NSI Infinium Global Private Limited (erstwhile Subsidiary Company) for violating trademark at civil court of Ahmedabad claiming damages of ` 20 Million . The said suit stands disposed of, with no orders as to cost by the civil court of Ahmedabad vide order dated December 8, 2018.

22. Capital commitment

(` in million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	2,019.17	2,316.22

Notes to the Financial Statements

for the year ended March 31, 2019

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, 2019		Year ended March 31, 2018	
		Foreign currency	Local currency (` in million)	Foreign currency	Local currency (` in million)
Trade receivables	USD	1,014,999.00	70.19	3,706,528.00	241.09
	AED	495,554.00	9.33	222,950.00	3.95
	SAR	752,400.00	13.87	156,000.00	2.71
Accrued revenue	USD	-	-	1,137,449.22	73.98
	AED	-	-	4,907.00	0.09
	SAR	-	-	396,000.00	6.88
Provision for expenses	USD	13,451.00	0.93	20,086.92	1.31
Creditors for expenses	USD	33,390.00	2.31	16,532.85	1.08
	GBP	13,029.00	1.18	-	-
Bank balance	USD	311,215.00	21.52	835,146.10	54.32

24. Income tax

(` in million)

Particulars	2018-19	2017-18
Tax paid in advance (net of provision)	116.15	47.92
Total	**116.15**	**47.92**
Provision for tax (net of advance tax)	47.75	48.36
Total	**47.75**	**48.36**

The major component of income tax expense for the years ended March 31, 2019 and March 31, 2018 are :

(` in million)

Particulars	2018-19	2017-18
Statement of Profit and Loss		
Current tax		
- for current year	133.35	82.04
- for previous year	-	1.43
Deferred tax		
Deferred tax expense relating to origination and reversal of temporary difference	94.34	180.06
Income tax expense reported in the statement of profit and loss	**227.69**	**263.53**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2019 and March 31, 2018.

A) Current tax

(` in million)

Particulars	2018-19	2017-18
Accounting profit before tax from continuing operations	616.89	398.27
Enacted tax rate	34.94%	34.61%
Computed expected tax expense	215.57	137.83
Adjustments		
Effect of non-deductable expenses	0.11	1.33
Impact of tax paid under MAT	12.01	122.94
Tax expenses for earlier year	-	1.43
	227.69	**263.53**

Notes to the Financial Statements

for the year ended March 31, 2019

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, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Deferred income tax assets				
Provision for employee benefits	15.16	10.27	4.89	(3.43)
IPO Expenses	120.15	119.00	0.10	-
Provision for diminution in value of investment and doubtful debts	15.00	10.42	4.58	(5.67)
Total deferred income tax assets	**150.32**	**139.69**	**9.58**	**(9.10)**
Deferred income tax liabilities				
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	338.77	207.89	130.88	189.16
Fair valuation of investment	-	25.92	(25.92)	-
Total deferred income tax liabilities	**338.77**	**233.81**	**104.96**	**189.16**
Deferred tax expense/(income)			**95.38**	**180.06**
Net deferred tax assets/(liabilities)	**(188.45)**	**(94.12)**		
Reflected in the balance sheet as follows				
Deferred tax assets	150.32	139.69		
Deferred tax liabilities	338.77	233.81		
Deferred tax liability (net)	**(188.45)**	**(94.12)**		

Reconciliation of deferred tax assets / (liabilities), net

(` in million)

	March 31, 2019	March 31, 2018
Opening balance as of April 1, 2018	(94.12)	110.64
Tax income/(expense) during the period recognised in profit or loss	(95.38)	(180.06)
Tax income/(expense) during the period recognised in OCI	-	(0.29)
Deferred tax liability acquired on merger with Avenues (India) Private Limited	-	(3.34)
Impact on fair valuation of asset on merger adjusted against goodwill (refer note 36)	-	(25.93)
Tax expense on IPO expense adjusted to securities premium	1.05	4.84
Closing balance as at March 31, 2019	**(188.45)**	**(94.12)**

Deferred income tax assets have not been recognized on temporary differences and unabsorbed brought forward loss and depreciation amounting ` Nil and ` 178.90 Million as of March 31, 2019 and March 31, 2018, respectively, as it is probable that the temporary differences and unabsorbed brought forward loss and depreciation will not reverse in the foreseeable future.

MAT Credit have not been recognized amounting to ` 132.37 Million and ` 82.05 Million as of March 31, 2019 and March 31, 2018, respectively, as it is probable that MAT credit will not be utilised in the foreseeable future.

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 March 31, 2019

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, 2019	As at March 31, 2018
Provident Fund	9.41	7.95
ESIC	0.95	0.73
	10.36	**8.68**

Notes to the Financial Statements

for the year ended March 31, 2019

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, 2019 : 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, 2018	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	March 31, 2019
Gratuity													
Defined benefit obligation	33.21	-	4.18	2.38	6.56	(0.23)	-	-	0.74	6.60	7.34	-	46.88
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	33.21	-	4.18	2.38	6.56	(0.23)	-	-	0.74	6.60	7.34	-	46.88
Total benefit liability	**33.21**	**-**	**4.18**	**2.38**	**6.56**	**(0.23)**	**-**	**-**	**0.74**	**6.60**	**7.34**	**-**	**46.88**

March 31, 2018 : 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, 2017	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	March 31, 2018
Gratuity													
Defined benefit obligation	5.34	17.96	10.10	1.57	11.67	(0.91)	-	(0.18)	4.44	(5.11)	(0.85)	-	33.21
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	5.34	17.96	10.10	1.57	11.67	(0.91)	-	(0.18)	4.44	(5.11)	(0.85)	-	33.21
Total benefit liability	**5.34**	**17.96**	**10.10**	**1.57**	**11.67**	**(0.91)**	**-**	**(0.18)**	**4.44**	**(5.11)**	**(0.85)**	**-**	**33.21**

Notes to the Financial Statements

for the year ended March 31, 2019

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	6.8% - 7.35%	7.3% - 7.35%
Future salary increase	10% - 12%	10% - 12%
Attrition rate	20% - 40% at younger ages reducing to 5% at older ages	20% - 40% at younger ages reducing to 5% at older ages
Mortality 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)

		(increase) / decrease in defined benefit obligation (Impact)	
Particulars	Sensitivity level	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity			
Discount rate	0.5% increase	10.75	5.51
	0.5% decrease	14.03	7.91
Future Salary increase	0.5% increase	13.64	7.63
	0.5% decrease	11.05	5.70
Withdrawal rates (W.R.)	10% increase	11.76	6.38
	10% decrease	12.94	6.96

The followings are the expected future benefit payments for the defined benefit plan :

(` in million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		
Within one year	8.70	5.81
After one year but not more than five years	26.73	18.60
More than five years	28.36	21.50

Notes to the Financial Statements

for the year ended March 31, 2019

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 (including step down subsidiary)**	Infibeam Digital Entertainment Private Limited
		Infinium India Limited (upto January 23, 2019)
		NSI Infinium Global Private Limited (upto February 28, 2019)
		Odigma Consultancy Solutions Private Limited
		Infibeam Logistics Private Limited
		Sine Qua Non Solutions Private Limited (upto February 28, 2019)
		Infibeam Global EMEA FZ LLC (upto March 21, 2019)
		DRC Systems India Private Limited
		Avenues Infinite Private Limited
		Vavian International Limited (with effect from July 01, 2018)
		Richrelevant Limited (with effect from October 31, 2018, upto March 21, 2019)
		Avenues World FZ LLC (with effect from July 01, 2018)
2	**Associate Company**	Avenues Payments India Private Limited
		Instant Global Paytech Private Limited (with effect from January 3, 2019)
		NSI Infinium Global Private Limited (with effect from March 1, 2019)
		Infibeam Global EMEA FZ LLC (with effect from March 22, 2019)
3	**Key Management Personnel**	
	Executive Directors	Vishal Ajit Mehta
	Non-executive Directors	Malav Ajit Mehta
		Ajit Champaklal Mehta
		Roopkishan Sohanlal Dave
		Keyoor Madhusudan Bakshi
		Vijaylaxmi Tulsidas Sheth
		Piyushkumar Sinha (with effect from February 14, 2018)
		Vishwas Ambalal Patel (with effect from February 14, 2018)
	Chief Financial officer (CFO)	Hiren Bachubhai Padhya
	Company secretary (CS)	Shyamal Bhaskerbhai Trivedi
4	**Relatives of KMP**	Jayshree Ajit Mehta
		Nirali Vishal Mehta
		Anoli Malav Mehta
		Varini Vishwas Patel
		Vivek Vishwas Patel
		Kalpesh Ambalal Patel
5	**Company where Key Managerial personnel can exercise control / significant influence**	Infinium Automall Private Limited
		Infinium Communication Private Limited
		Infinity Drive Private Limited
		Infinium Motors (Gujarat) Private Limited
		O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)
		Infinium Motors Private Limited
		Avenues Enterprises Private Limited

Notes to the Financial Statements

for the year ended March 31, 2019

Related party transactions

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						
Chief Financial officer (CFO)	31/Mar/19	**0.05**	**-**	**-**	**-**	**0.05**
	31/Mar/18	-	-	-	-	-
Company secretary (CS)	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	0.01	-	-	-	0.01
Investment in equity shares						
Infibeam Global EMEA FZ - LLC	31/Mar/19	**-**	**-**	**-**	**354.55**	**354.55**
	31/Mar/18	-	-	-	320.36	320.36
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**297.00**	**297.00**
	31/Mar/18	-	-	-	-	-
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**375.00**	**375.00**
	31/Mar/18	-	-	-	-	-
Instant Global Paytech Private Limited	31/Mar/19	**-**	**-**	**60.00**	**-**	**60.00**
	31/Mar/18	-	-	-	-	-
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**907.74**	**-**	**907.74**
	31/Mar/18	-	-	-	-	-
Purchase of shares of Vavian International Limited						
Infibeam Global EMEA FZ - LLC	31/Mar/19	**-**	**-**	**-**	**209.98**	**209.98**
	31/Mar/18	-	-	-	-	-
Purchase of shares of DRC Systems India Private Limited						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**-**	**30.60**	**30.60**
	31/Mar/18	-	-	-	-	-
Buyback of equity shares						
Avenue Payments India Private Limited	31/Mar/19	**-**	**-**	**-***	**-**	**-**
	31/Mar/18	-	-	-	-	-
Investment in preference shares						
Avenue Payments India Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	30.00	-	30.00
Loans given						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**35.52**	**822.22**	**857.74**
	31/Mar/18	-	-	-	1,340.40	1,340.40
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	1,820.58	1,820.58
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**341.80**	**341.80**
	31/Mar/18	-	-	-	240.00	240.00
Repayment of loan given						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**1,006.42**	**1,201.57**	**2,207.99**
	31/Mar/18	-	-	-	1,446.43	1,446.43
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**234.00**	**234.00**
	31/Mar/18	-	-	-	240.00	240.00
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	1,820.58	1,820.58
Advance given towards purchase of capital asset						
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	20.00	20.00

Notes to the Financial Statements

for the year ended March 31, 2019

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
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**204.00**	**204.00**
	31/Mar/18	-	-	-	698.10	698.10
Advance given towards services						
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	120.00	120.00
Rent deposit received						
Instant Global Paytech Private Limited	31/Mar/19	**-**	**-**	**0.10**	**-**	**0.10**
	31/Mar/18	-	-	-	-	-
Repayment of advance given towards purchase of capital asset						
DRC Systems India Pvt Ltd	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	261.90	261.90
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**47.00**	**47.00**
	31/Mar/18	-	-	-	-	-
Repayment of advance given towards services						
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**96.40**	**96.40**
	31/Mar/18	-	-	-	-	-
Reimbursement of expenses to (amount payable)						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**-**	**0.06**	**0.06**
	31/Mar/18	-	-	-	0.07	0.07
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**0.10**	**0.10**
	31/Mar/18	-	-	-	-	-
Infibeam Digital Entertainment Pvt Ltd	31/Mar/19	**-**	**-**	**-**	**0.62**	**0.62**
	31/Mar/18	-	-	-	-	-
Avenues Enterprises Pvt Ltd	31/Mar/19	**-**	**0.01**	**-**	**-**	**0.01**
	31/Mar/18	-	-	-	-	-
Reimbursement of expenses from (amount receivable)						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**0.13**	**0.93**	**1.06**
	31/Mar/18	-	-	-	27.53	27.53
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**0.64**	**0.64**
	31/Mar/18	-	-	-	0.05	0.05
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	0.16	0.16
Infibeam Digital Entertainment Pvt Ltd	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	0.08	0.08
Infibeam Logistics Pvt Ltd	31/Mar/19	**-**	**-**	**-**	**0.22**	**0.22**
	31/Mar/18	-	-	-	0.13	0.13
DRC Systems India Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	0.07	0.07
Sine Qua Non Solutions Pvt Ltd	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	0.01	0.01
Avenues Enterprises Pvt Ltd	31/Mar/19	**-**	**0.01**	**-**	**-**	**0.01**
	31/Mar/18	-	-	-	-	-

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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
Services taken						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**-**	**18.29**	**18.29**
	31/Mar/18	-	-	-	97.50	97.50
Infibeam Digital Entertainment Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	1.35	1.35
Services given						
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**145.74**	**145.74**
	31/Mar/18	-	-	-	28.77	28.77
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**0.64**	**222.09**	**222.72**
	31/Mar/18	-	-	-	7.79	7.79
Infinium Motors Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	0.44	-	-	0.44
Infibeam Digital Entertainment Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	29.00	29.00
Instant Global Paytech Private Limited	31/Mar/19	**-**	**-**	**1.95**	**-**	**1.95**
	31/Mar/18	-	-	-	-	-
Rental Income						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**0.30**	**3.33**	**3.63**
	31/Mar/18	-	-	-	2.12	2.12
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**0.49**	**0.49**
	31/Mar/18	-	-	-	0.35	0.35
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**1.20**	**1.20**
	31/Mar/18	-	-	-	0.70	0.70
Infibeam Digital Entertainment Private Limited	31/Mar/19	**-**	**-**	**-**	**0.60**	**0.60**
	31/Mar/18	-	-	-	0.35	0.35
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**1.20**	**1.20**
	31/Mar/18	-	-	-	0.70	0.70
DRC Systems India Private Limited	31/Mar/19	**-**	**-**	**-**	**4.51**	**4.51**
	31/Mar/18	-	-	-	2.63	2.63
Sine Qua Non Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**0.11**	**0.11**
	31/Mar/18	-	-	-	0.07	0.07
Instant Global Paytech Private Limited	31/Mar/19	**-**	**-**	**0.25**	**-**	**0.25**
	31/Mar/18	-	-	-	-	-
ESOP cost recovered						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**2.51**	**38.83**	**41.34**
	31/Mar/18	-	-	-	46.90	46.90
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**0.09**	**0.09**
	31/Mar/18	-	-	-	-	-
Dividend paid						
Vishal Ajit Mehta	31/Mar/19	**6.00**	**-**	**-**	**-**	**6.00**
	31/Mar/18	6.00	-	-	-	6.00
Malav Ajit Mehta	31/Mar/19	**1.70**	**-**	**-**	**-**	**1.70**
	31/Mar/18	1.70	-	-	-	1.70
Ajit C. Mehta	31/Mar/19	**3.01**	**-**	**-**	**-**	**3.01**
	31/Mar/18	3.01	-	-	-	3.01

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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
Vishwas Ambalal Patel	31/Mar/19	**7.66**	**-**	**-**	**-**	**7.66**
	31/Mar/18	-	-	-	-	-
Relatives of KMP	31/Mar/19	**8.94**	**-**	**-**	**-**	**8.94**
	31/Mar/18	4.61	-	-	-	4.61
Chief Financial Officer (CFO)	31/Mar/19	**-***	**-**	**-**	**-**	**-***
	31/Mar/18	-*	-	-	-	-*
Company Secretary (CS)	31/Mar/19	**-***	**-**	**-**	**-**	**-***
	31/Mar/18	-*	-	-	-	-*
Infinium Motors Private Limited	31/Mar/19	**-**	**5.30**	**-**	**-**	**5.30**
	31/Mar/18	-	5.30	-	-	5.30
Infinium Automall Private Limited	31/Mar/19	**-**	**1.46**	**-**	**-**	**1.46**
	31/Mar/18	-	1.46	-	-	1.46
Infinium Communication Private Limited	31/Mar/19	**-**	**1.05**	**-**	**-**	**1.05**
	31/Mar/18	-	1.05	-	-	1.05
Infinity Drive Private Limited	31/Mar/19	**-**	**0.80**	**-**	**-**	**0.80**
	31/Mar/18	-	0.80	-	-	0.80
Infinium Motors (Gujarat) Private Limited	31/Mar/19	**-**	**0.48**	**-**	**-**	**0.48**
	31/Mar/18	-	0.45	-	-	0.45
O3 Developers Private Limited (formerly known as Infinium Natural Resources Investments Private Limited)	31/Mar/19	**-**	**0.31**	**-**	**-**	**0.31**
	31/Mar/18	-	0.16	-	-	0.16
Transaction with key Management personnel						
Salaries and ESOP to key managerial personnel						
Chief Financial Officer	31/Mar/19	**11.67**	**-**	**-**	**-**	**11.67**
	31/Mar/18	6.39	-	-	-	6.39
Company Secretary	31/Mar/19	**5.12**	**-**	**-**	**-**	**5.12**
	31/Mar/18	4.26	-	-	-	4.26
Vishwas Patel (Executive Director)	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	0.30	-	-	-	0.30
Varini Vishwas Patel	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	0.19	-	-	-	0.19
Loan given						
Chief Financial Officer	31/Mar/19	**0.90**	**-**	**-**	**-**	**0.90**
	31/Mar/18	0.50	-	-	-	0.50
Repayment of Loan given						
Chief Financial Officer	31/Mar/19	**0.69**	**-**	**-**	**-**	**0.69**
	31/Mar/18	0.41	-	-	-	0.41
Rent expense						
Vishwas Patel (Executive Director)	31/Mar/19	**3.00**	**-**	**-**	**-**	**3.00**
	31/Mar/18	3.00	-	-	-	3.00
Director sitting fees to non-executive and independent directors	31/Mar/19	**1.32**	**-**	**-**	**-**	**1.32**
	31/Mar/18	0.87	-	-	-	0.87

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for the year ended March 31, 2019

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
Closing balances						
Investment (in Equity shares)						
Infibeam Digital Entertainment Private Limited	31/Mar/19	**-**	**-**	**-**	**31.45**	**31.45**
	31/Mar/18	-	-	-	31.45	31.45
Infinium India Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	120.80	120.80
Avenues Infinite Private Limited	31/Mar/19	**-**	**-**	**20.00**	**-**	**20.00**
	31/Mar/18	-	-	20.00	-	20.00
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**907.88**	**-**	**907.88**
	31/Mar/18	-	-	-	0.14	0.14
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**375.10**	**375.10**
	31/Mar/18	-	-	-	0.10	0.10
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**0.10**	**0.10**
	31/Mar/18	-	-	-	0.10	0.10
Infibeam Global EMEA FZ LLC	31/Mar/19	**-**	**-**	**675.86**	**-**	**675.86**
	31/Mar/18	-	-	-	321.31	321.31
Avenue Payment India Private Limited	31/Mar/19	**-**	**-**	**214.03**	**-**	**214.03**
	31/Mar/18	-	-	224.80	-	224.80
DRC Systems India Private Limited	31/Mar/19	**-**	**-**	**-**	**30.60**	**30.60**
	31/Mar/18	-	-	-	-	-
Vavian International Limited	31/Mar/19	**-**	**-**	**-**	**209.98**	**209.98**
	31/Mar/18	-	-	-	-	-
Instant Global Paytech Private Limited	31/Mar/19	**-**	**-**	**60.00**	**-**	**60.00**
	31/Mar/18	-	-	-	-	-
Investment (in Preference Shares)						
Avenue Payment India Private Limited	31/Mar/19	**-**	**-**	**30.00**	**-**	**30.00**
	31/Mar/18	-	-	30.00	-	30.00
Trade receivable						
Odigma Consultancy Solutions Private Limited	31/Mar/19	**-**	**-**	**-**	**45.08**	**45.08**
	31/Mar/18	-	-	-	18.21	18.21
Infibeam Digital Entertainment Private Limited*	31/Mar/19	**-**	**-**	**-**	**10.92**	**10.92**
	31/Mar/18	-	-	-	31.32	31.32
* Allowance for doubtful debt provided during FY 2018-19						
Infinium Motors Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	0.30	-	-	0.30
Loans and advances given						
NSI Infinium Global Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	1,350.25	1,350.25
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**107.80**	**107.80**
	31/Mar/18	-	-	-	-	-
Chief Financial Officer	31/Mar/19	**0.30**	**-**	**-**	**-**	**0.30**
	31/Mar/18	0.09	-	-	-	0.09
Advance given towards purchase of capital assets						
Infibeam Logistics Private Limited	31/Mar/19	**-**	**-**	**-**	**-**	**-**
	31/Mar/18	-	-	-	47.00	47.00

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for the year ended March 31, 2019

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
Infinium India Limited	31/Mar/19	-	-	-	-	-
	31/Mar/18	-	-	-	993.10	993.10
Other receivables						
DRC Systems India Private Limited	31/Mar/19	-	-	-	-	-
	31/Mar/18	-	-	-	38.10	38.10
Advance given towards services						
Infinium India Limited	31/Mar/19	-	-	-	-	-
	31/Mar/18	-	-	-	120.00	120.00
Receivables for reimbursement^						
NSI Infinium Global Private Limited	31/Mar/19	-	-	-	-	-
	31/Mar/18	-	-	-	0.24	0.24
Infibeam Logistics Private Limited	31/Mar/19	-	-	-	**1.52**	**1.52**
	31/Mar/18	-	-	-	-	-
DRC Systems India Private Limited	31/Mar/19	-	-	-	**4.88**	**4.88**
	31/Mar/18	-	-	-	-	-
Payable for reimbursement^						
NSI Infinium Global Private Limited	31/Mar/19	-	-	**13.05**	-	**13.05**
	31/Mar/18	-	-	-	-	-
Infibeam Digital Entertainment Private Limited*	31/Mar/19	-	-	-	**0.10**	**0.10**
	31/Mar/18	-	-	-	-	-
Rent Payable						
Vishwas Ambalal Patel	31/Mar/19	**0.18**	-	-	-	**0.18**
	31/Mar/18	-	-	-	-	-
Payable for settlement of payment gateway transactions						
Instant Global Paytech Private Limited	31/Mar/19	-	-	**5.70**	-	**5.70**
	31/Mar/18	-	-	-	-	-
Security deposit given						
Vishwas Ambalal Patel	31/Mar/19	**0.75**	-	-	-	**0.75**
	31/Mar/18	0.75	-	-	-	0.75
Security deposit taken						
Instant Global Paytech Private Limited	31/Mar/19	-	-	**0.10**	-	**0.10**
	31/Mar/18	-	-	-	-	-

* Represents amount less than one million

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 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties except otherwise mentioned in the financial statement (31 March 2018: ` Nil). 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.

^ All the transactions pertaining to purchase, sales, expenses etc. entered with subsidiaries / associates are adjusted against reimbursement of expenses. Hence, the net amount of reimbursement has been derived considering the transactions entered into between the parties during the year.

Notes to the Financial Statements

for the year ended March 31, 2019

27. Earning per share

Particulars	2018-19	2017-18
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders (` in million)	389.20	134.74
Total no. of equity shares at the end of the year	663,392,240	542,783,390
Weighted average number of equity shares		
For basic EPS	666,116,275	661,517,224
For diluted EPS	671,170,500	665,449,881
Nominal value of equity shares	1	1
Basic earning per share (in `)	0.58	0.21
Diluted earning per share (in `)	0.57	0.20
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	666,116,275	661,517,224
Effect of dilution: Employee stock options	5,054,226	3,932,657
Weighted average number of equity shares adjusted for the effect of dilution	671,170,500	665,449,881

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 17 February 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on 30 March 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 by physical delivery of shares. 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 99% below the market price at the date of grant, i.e., 1 April 2013 and 1 April 2014, 1 April 2018 and 25 October 2018.

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 27 February 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on 31 March 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 by physical delivery of shares. 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 99% below the market price at the date of grant, i.e., 1 April 2014, 1 April 2015, 1 April 2016, 1 October 2014, 1 October 2015, 1 October 2016, 1 April 2018 and 25 October 2018.

Scheme	ESOP Scheme 2013-14		ESOP Scheme 2014-15	
Date of grant	April 1, 2018	October 25, 2018	April 1, 2018	October 25, 2018
Number of options granted	208,000	138,211	110,750	1,710,610
Exercise price per option	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.
Exercise period	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years
Method of settlement	Physical delivery of shares	Physical delivery of shares	Physical delivery of shares	Physical delivery of shares

Notes to the Financial Statements

for the year ended March 31, 2019

The following table sets forth a summary of the activity of options:

Particulars	2018-19		2017-18	
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 13-14	ESOP Scheme 14-15
Options				
Outstanding at the beginning of the year	250,000	3,766,850	541,000	6,627,850
Granted during the year	346,211	1,821,360	-	703,450
Exercised during the year	(200,000)	(548,850)	(291,000)	(3,553,190)
Lapse during the year	(250,000)	(7,500)	-	(11,260)
Outstanding at the end of the year	146,211	5,031,860	250,000	3,766,850
Exercisable at the end of the year	146,211	5,031,860	250,000	3,766,850

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	2018-19	2017-18
Employee option plan	34.87	12.43
Total employee share based payment expense	**34.87**	**12.43**

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, 2019		March 31, 2018
Option grant date	April 1, 2018	October 25, 2018	-
Weighted average share price	148.50	30.80	95.60
Exercise price	1.00	1.00	1.00
Expected volatility	44%	96%	44%
Expected life (years)	5 years	5 years	1 year
Dividend yield	0	0	0
Risk-free interest rate (%)	7.40%	7.87%	6.69%
Fair market value share	147.81	30.22	94.67
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/- 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	SAR Price Indian Rupees
Grant I	February 14, 2019	2,796,311	141

Movement in options:

Particulars	SAR Scheme 2017 As at March 31, 2019
SAR Scheme 2017	
Outstanding at the beginning of the year	-
Granted during the year	2,796,311
Exercised during the year	-
Lapse during the year	(5,20,000)
Outstanding at the end of the year	22,76,311
Exercisable at the end of the period	22,76,311

Notes to the Financial Statements

for the year ended March 31, 2019

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 March 31, 2019 were as follows:

(` in million)

Particulars	2018-19	2017-18
Corpus Fund	-	-
Borrowing	398.00	280.00
Current liabilities and provision	43.67	7.83
Cash & Bank equivalents	0.02	0.83
Non current investments	396.06	278.71
Net asset / (liability)	**(45.59)**	**(8.29)**

(ii) Impact on the Company's profit and loss post IEW Trust consolidation for the year March 31, 2019

(` in million)

Particulars	2018-19	2017-18
Income		
Dividend on equity	0.23	0.17
Expenses		
Administrative expense	1.01	0.22
Interest expense	36.51	8.25
Impact on profit before tax	**(37.29)**	**(8.30)**

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended March 31, 2019

(` in million)

Particulars	2018-19	2017-18
Cash and cash equivalents 1st April,	0.83	-
Cash flow from operating activities	34.82	7.61
Cash flow from investing activities	(117.12)	(278.54)
Cash flow from financing activities	81.49	271.76
Cash and cash equivalents 31 March	**0.02**	**0.83**

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, 2019 (previous year: ` 278.71 Million).

(b) Dividend Income

The dividend income of the Trust is debited to the Company's retained earning amounting to ` 0.23 Million as at March 31, 2019 (previous year: ` 0.17 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 ` 398 Million as at March 31, 2019 (previous year: ` 280 Million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ` 36.51 Million (previous year: ` 8.25 Million)

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for the year ended March 31, 2019

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 common to both the geographical segment (i.e. India, Middle East and Others).\

Non-current assets exclude financial instruments, deferred tax assets 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 ` 1,971.33 million which is more than 10 percent of the Company's total revenue for the year ended March 31, 2019.

Revenue from one customer of the Company's India segment is ` 357.3 million and one customer of the Company's Middle East segment is ` 344.6 million which is more than 10 percent of the Company's total revenue for the year ended March 31, 2018.

(` in million)

Particulars	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31/03/2019	5,001.97	271.59	173.00	5,446.56
	31/03/2018	2,466.15	543.24	49.17	3,058.56
Carrying amount of segment non current assets*	31/03/2019	23,473.51	-	-	23,473.51
	31/03/2018	22,868.90	-	-	22,868.90

* 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.

31. Operating Lease

The Company has taken commercial premises under operating leases. The leases have an average life of between one and five years with renewal options included in contracts. Renewals are at the mutual consent of lessor and lessee. Lease payments recognised in the statement of Profit and Loss for the year amounts to ` 10.15 Million (previous year: ` 9.96 Million)

Future minimum lease rentals payable under non-cancellable operating leases are as follows:

(` in million)

Particulars	2018-19	2017-18
Within one year	7.80	4.21
After one year but not more than five years	8.40	3.00
More than five years	-	-
Total	**16.20**	**7.21**

Notes to the Financial Statements

for the year ended March 31, 2019

32. Corporate Social Responsibility (CSR) Activities:

a. The Company is required to spend ` 3.45 Million (Previous Year ` 1.38 Million) on CSR activities.

b. Amount spent during the year on:

(` in million)

	Year ended					
	March 31, 2019			March 31, 2018		
	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) On Purposes other than (i) above	3.45	-	3.45	1.38	-	1.38

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 March 31, 2019

(` in million)

Particulars	Carrying amount				Fair value			
		Fair value through						
	Amortised Cost	Other comprehensive income	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	-	15.79	-	15.79	-	15.79	-	15.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	93.53	-	-	93.53		93.53	-	93.53
	93.53	**15.79**	**-**	**109.32**	**-**	**109.32**	**-**	**109.32**
Financial liabilities								
Long term borrowing	263.70	-	-	263.70	-	263.70	-	263.70
	263.70	**-**	**-**	**263.70**	**-**	**263.70**	**-**	**263.70**

As at March 31, 2018

(` in million)

Particulars	Carrying amount				Fair value			
		Fair value through						
	Amortised Cost	Other comprehensive income	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	-	15.79	-	15.79	-	15.79	-	15.79
Current investment	-	-	2.10	2.10	2.10	-	-	2.10
Other Non-current financial asset*	220.58	-	-	220.58		220.58	-	220.58
	220.58	**15.79**	**2.10**	**238.47**	**2.10**	**236.37**	**-**	**238.47**
Financial liabilities								
Long term borrowing	351.60	-	-	351.60	-	351.60	-	351.60
	351.60	**-**	**-**	**351.60**	**-**	**351.60**	**-**	**351.60**

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 Financial Statements

for the year ended March 31, 2019

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	FY 2018-19	FY 2017-18
Opening Balance	2.10	-
Net change in fair value (unrealised)	-	-
Purchases	1,352.50	525.81
Sales	(1,354.60)	(523.71)
Closing Balance	**-**	**2.10**

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 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.

Notes to the Financial Statements

for the year ended March 31, 2019

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 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, 2019	As at March 31, 2018
Domestic	30.61	131.80
Other regions	93.39	247.75
	124.00	**379.55**

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(` in million)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Upto 0-180 days	More than 180 days	Upto 0-180 days	More than 180 days
Gross	127.05	38.68	375.06	33.25
Less: Allowance	(7.89)	(33.70)	-	(28.76)
Net	119.16	4.98	375.06	4.49

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, 2019 and March 31, 2018.

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, 2019		
Interest bearing borrowings	87.90	263.70
Short term borrowing - Under LC arrangement	-	
Trade payables	26.71	-
Other financial liabilities	213.38	-
	327.99	**263.70**

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for the year ended March 31, 2019

(` in million)

Particulars	Less than 1 year	more than 1 year
Year ended March 31, 2018		
Interest bearing borrowings	87.90	351.60
Short term borrowing - Under LC arrangement	130.00	
Trade payables	34.70	-
Other financial liabilities	97.65	-
	350.25	**351.60**

(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 and GBP. 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 and SAR rates to the functional currency of respective entity, 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.

	Change in USD rate	Effect on profit before tax
March 31, 2019	+5%	4.75
	-5%	(4.75)
March 31, 2018	+5%	18.35
	-5%	(18.35)

	Change in AED rate	Effect on profit before tax
March 31, 2019	+5%	0.47
	-5%	(0.47)
March 31, 2018	+5%	0.20
	-5%	(0.20)

	Change in SAR rate	Effect on profit before tax
March 31, 2019	+5%	0.69
	-5%	(0.69)
March 31, 2018	+5%	0.48
	-5%	(0.48)

	Change in GBP rate	Effect on profit before tax
March 31, 2019	+5%	0.06
	-5%	(0.06)
March 31, 2018	+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 March 31, 2019

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, 2019	As at March 31, 2018
Interest-bearing loans and borrowings (Note 12)	351.60	569.50
Less: cash and cash equivalent (Note 7)	(1,228.64)	(879.48)
Net debt	(877.04)	(309.98)
Equity share capital (Note 10)	663.39	542.78
Other equity (Note 11)	25,331.95	25,186.70
Total capital	**25,995.34**	**25,729.48**
Capital and net debt	**25,118.30**	**25,419.50**
Gearing ratio	-	-

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, 2019 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, 2019	As at March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	3.07	-
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 March 31, 2019

36. Amalgamation with Avenues (India) Private Limited

Based on the definitive Memorandum of Understanding (MoU), the Company obtained operational and financial control in Avenues (India) Private Limited (Avenues) as well as board control with effect from April 1, 2017. Further, in the Board meeting held on July 13, 2017, the Board of directors approved the scheme of amalgamation of Avenues with the Company. Subsequent to the year end, on May 9, 2018, the Company has received approval to aforesaid scheme of amalgamation from National Company Law Tribunal ("NCLT") with appointed date of April 1, 2017, which the Company filed with Registrar of Companies (RoC) on May 10, 2018. In accordance with Ind AS 103 "Business Combinations", the Company has given effect of amalgamation with Avenues with the appointed date i.e. April 1, 2017.

In accordance with the provisions of the aforesaid scheme -

The approved share swap ratio is that for 100 equity share of Avenues (India) Private Limited (AIPL) of the face value of ` 10 each fully paid up held by the shareholders on the Record date shall be allotted 2600 equity shares of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) of the face value of ` 1 each fully paid up.

The shares have been allotted subsequent to the March 31, 2018, the same has been disclosed as Shares issued as per Scheme of Amalgamation till the date of allotment i.e. May 30, 2018 under other equity.

In accordance with the scheme, the amalgamation has been accounted under the acquisition method as prescribed by Ind AS 103 "Business Combinations".

Accordingly, the accounting treatment has been given as under: -

(i) The assets and liabilities of Avenues as at April 1, 2017 had been incorporated at their fair values in the financial statements of the Company.

(ii) The existing investments in Avenues as at April 1, 2017 had been fair valued on account of acquisition as prescribed by Ind AS 103 (step up acquisition).

(iii) All inter-corporate balances (including investments held by the Company in Avenues, deposits, loans and advances, outstanding balances) between the Company and Avenues stands cancelled.

The excess of value of equity shares over the fair value of assets and liabilities transferred and cancellation of Investments in Avenues held by the Company amounting to ` 18,645.18 million has been recorded as follows after considering the impact of identified and unrecorded intangible assets (net of deferred tax) as prescribed by Ind AS 103:

Particulars	(` in million)
Identified and unrecorded intangible asset	
Trademark	597.80
Software	360.10
Customer relationship	1,563.10
Goodwill	**16,124.18**
Total	**18,645.18**

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Avenues India Private Limited as at the date of acquisition were as follows.

Particulars	(` in million)
Assets	
Property, plant and equipment	111.95
Intangible assets	19.63
Investments*	240.59
Other non current financial assets	5.52
Income tax assets (net)	1.52
Trade receivables	74.89
Cash and cash equivalents	358.27
Other bank balance	777.18
Loans	19.28
Others financial assets	156.45
Other current assets	43.22
Receivable for settlement of transaction - Nodal bank	691.85

Notes to the Financial Statements

for the year ended March 31, 2019

Particulars	(` in million)
Liabilities	
Long term Provisions - Gratuity	(14.50)
Deferred tax liabilities (net)	(3.34)
Deferred tax liabilities (net) - fair valuation impact	(25.92)
Payable for settlement of transaction - Nodal bank	(1,071.44)
Other financial liabilities	(18.94)
Other current liabilities	(8.55)
Short Term Provisions- Gratuity	(3.46)
Provision for Tax (Net)	(14.84)
Total identifiable net assets at fair value	**1,339.36**
Unidentified intangible asset	
Trademark	597.80
Software	360.10
Customer relationship	1,563.10
Goodwill**	16,124.18
Total Purchase consideration	**19,984.54**

Breakup of purchase consideration

Particulars	(` in million)
Cancellation of existing investment at fair value	2,269.23
Shares issued as per Scheme of Amalgamation @ ` 147.80 / equity share	17,715.31
Total purchase consideration	**19,984.54**

*The Company has acquired following investment on amalgamation with Avenues

(1) Avenues Infinite Private Limited - 10,00,200 equity shares at fair value of ` Nil

(2) Avenues Payments Private Limited - 36,541 equity shares at fair value of ` 224.80 Million

(3) JRI Technologies Private Limited - 220,625 equity shares at fair value of ` 15.79 Million

**The goodwill comprises the value of expected synergies arising from the amalgamation. Due to the contractual terms and nature of industry, the customer contract is not separately valued. Goodwill recognised on amalgamation is not expected to be deductible for provision for income tax purposes.

37. Nodal balance

The Company maintains nodal account with ICICI 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.

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38. During the year ended March 31, 2016, the Company raised funds through an Initial Public Offering (IPO) for the purpose of setting up of cloud data centre, purchase of property for shifting and setting up of its registered and corporate office, setting up of 75 logistic centres, purchase of software and general corporate purposes. Pursuant to this, the Company issued 10,416,666 equity shares of ` 10 each at an issue price of ` 432 per equity share. The proceeds from IPO is ` 4,499.99 million. The net proceeds from IPO after incurring expenses (such as merchant bankers fees, underwriting fees, selling commission, legal counsel fees, registrar to the issue, brokerage and selling commission, printing and stationary expenses, advertising and marketing expenses and other incidental expenses amounted to ` 338.30 million) was ` 4,161.7 million. Of the total IPO expenses, expenses aggregating to ` 312.78 million have been adjusted towards the securities premium account. Further IPO expenses aggregating to ` 25.51 million have been charged to the Statement of Profit and Loss. Summary of utilised amount and unutilised amount is stated below:

(` in million)

Objects of the issue as per the prospectus	Net Proceeds from IPO	Amount utilised up to March 31, 2019	Unutilised amount as on March 31, 2019
Setting up of cloud data centre and purchase of property for shifting of the registered and corporate offices of Company	2,352.00	2,100.50	251.50
Setting up of 75 logistics centres	375.00	375.00	-
Purchase of software	670.00	670.00	-
General corporate purposes	764.70	764.70	-
Total	**4,161.70**	**3,910.20**	**251.50**

The unutilised amount is temporarily lying in following:

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
- In fixed deposits	-	386.90
- In current account with bank	251.50	515.60
Total	**251.50**	**902.50**

39. 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, 2018 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.

40. During the year, Suvidhaa Infoserve Private Limited ("Suvidhaa") acquired 6.41% equity stake in NSI Infinium Global Private Limited ('NSI'), erstwhile wholly owned subsidiary of the Company at cash consideration of ` 387.90 million. NSI entered into a Binding Memorandum of Understanding ('MOU') with Suvidhaa for transfer of Company's holding in NSI at a valuation of ` 5,000 million. The transfer of stake shall be by way of merger, wherein proportionate equity shares of Suvidhaa shall be issued to Infibeam and in the event, the merger is not approved, Suvidhaa will acquire balance 93.59% stake in NSI at agreed valuation of ` 4,612.10 million in the form of equity shares of Suvidhaa. Further, as per the terms of MOU, Suvidhaa has acquired operational, business and financial control over NSI on February 28, 2019. The share holders in the Extra- ordinary General Meeting of Infibeam held on January 12, 2019, have approved 100% dilution in NSI. The investment in this subsidiary has been disclosed separately as 'Assets Held for Sale'. 'During the year, Infibeam Global EMEA FZ LLC ('Global'), erstwhile wholly owned subsidiary of the Company has entered into a MOU with Unipropitia FZCO along with consortium member for fresh investment to the extent of 51% holding in Global, for a consideration of USD 25 million. Accordingly, as per the terms of the MOU and Share Subscription Agreement dated March 21, 2019 company has transferred operational, business, management and financials control and initiated the share allotment procedure of the said erstwhile wholly owned subsidiary company. The investment in this subsidiary has been disclosed separately as 'Assets Held for Sale'.

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41. During the year, post approval of the Board of Directors at their meeting dated January 19, 2019, the Company has entered into a MOU with Ingenius E-Commerce Private Limited for divestment of its 100% holding in Infinium (India) Limited erstwhile wholly owned subsidiary, for a consideration of ` 600 million. As per the terms of MoU with Ingenius E-Commerce Private Limited, Company has divested 100% holding in Infinium (India) Limited as on January 23, 2019. The accounting impact of the same has been provided in the books of accounts.

42. 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, 2019 by offerings.

i) Revenue by offerings

(` in million)

Particulars	For the year ended March 31, 2019
Digital Payments and Checkout Web Services	5,058.21
E-Commerce Related Web Services	363.87
Total	**5,422.08**

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.

b) Transaction price allocated to remaining performance obligation

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019 is ` 226.82 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, 2019
Balance at the beginning of the year	94.83
Revenue recognised during the year	178.33
Invoices raised during the year	(99.03)
Translation exchange difference	4.20
Balance at the end of the year	**178.33**

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d) Changes in unearned and deferred revenue are as follows:

(` in million)

Particulars	For the year ended March 31, 2019
Balance at the beginning of the year	6.69
Revenue recognised that was included in the excess billing over revenue at the beginning of the year	(5.25)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	225.73
Translation exchange difference	-
Balance at the end of the year	**227.17**

e) Impact on adoption of Ind AS 115

The Company adopted Ind AS 115 "Revenue from Contracts with Customers" on April 1, 2018 by using the modified retrospective approach and accordingly comparatives for the year ending or ended March 31, 2018 are not retrospectively adjusted. The impact on account of applying Ind AS 115 Revenue from Contract with Customers instead of the erstwhile Ind AS 18 Revenue on the financials results of the Company for year ended as of March 31, 2019 is not material.

43. Company has submitted application to Central Govt for termination of SRBC & Co., LLP as Joint auditor on May 06, 2019. The approval from the office of Regional Director (NWR), Ahmedabad is still awaited post which the format of presenting audited financial results will be changed from signing of joint auditors to a single auditor.

44. 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 30, 2019

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 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Independent Auditor's Report

To the Members of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Ltd)

Report on 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) ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated IND AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated IND AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated IND AS financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated 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 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 of the period ended March 31, 2019. 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**	**Principal Audit Procedures**
	Included on the balance sheet of parent company is an intangible assets balance of ` 19,009.61 Million as on March 31, 2019 which relates to goodwill of ` 16,124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ` 2,885.43 million is classified as other Intangibles and Intangibles under development. The group is required to perform impairment assessments of goodwill and intangible assets that have an indefinite useful life 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.	Focusing on Groups business, we understood evaluated and validated management's key controls over the impairment assessment process. It was brought to our notice that the group had undertaken a valuation report done 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, had been appropriate. • recalculating the value in use calculations

Sr No	Key Audit Matter	Auditors Response
	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, 2019.	• 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.
2	**Accuracy of recognition, measurement, presentation and disclosure of revenue and other related balances in view of adoption of IND-AS 115 "Revenue from Contracts with Customers".**	**Principal Audit Procedures**
	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The group adopted IND-AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	We assessed the group's process to identify the impact of adoption of the new revenue accounting standard on its reported revenue. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard; • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls; • Selected a sample of continuing and new contracts and performed the following procedures: a) Read, analysed and identified the distinct performance obligations in these contracts. b) Compared these performance obligations with that identified and recorded by the group. c) Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. d) Samples in respect of different types of revenue recorded were assessed with relevant documents including customer acceptances, subsequent invoicing and historical trend of collections and disputes. e) Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Sr No	Key Audit Matter	Auditors Response
3	**Recoverability of Loans and Capital advances by Parent Company.**	**Principal Audit Procedures**
	Included on the balance sheet of Parent company is Loans to related parties ` 107.80 million and Capital Advance of ` 527.1 million as on March 31, 2019. The parent company had given advances to its subsidiaries during the previous financial year as well as during the current financial year. These advances had further been given by these subsidiary companies to various vendors for different projects. During the quarter ended December 31, 2018 the matter was included in the Limited Review Report and management was requested to provide additional information and evidences. Pending receipt of audit evidence, comment on the recoverability of advances and consequential impact, if any, on the results for the quarter ended December 31, 2018 was made. The aggregate of Loan and capital advance amount was ` 1,223.10 million as at December 31, 2018 which has come down to ` 634.90 million as at March 31, 2019 on account of combination of receipt of relevant capital goods and recovery of loans.	We reviewed management's rational and objective for providing loans and capital advances to subsidiaries. We reviewed management's assessment of recoverability advances to subsidiaries and corroborated the same with the financials of subsidiaries. We reviewed the group's internal control system for advancing the money to suppliers and subsidiaries and carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of these loans and advances. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows: • Review of complete details of loans and capital advances given to subsidiaries and corroborating the same with of ledger Accounts and confirmation of subsidiaries. • Review of onward payment by subsidiaries to various parties and with the supporting documents / Purchase Orders / Invoices etc. • Reviewed the procedures followed by Infibeam and subsidiaries for selection of vendors and justification of terms of payments, delivery, warranties/Guarantees etc. • Assessed present status of Advance, receipt / availability of material/services. • Obtained explanation from the management and went through the report obtained by the group from external independent expert on fund utilization. Based on our procedures, we found management's judgment around the recovery of the Loans and Capital Advance to be appropriate.
4	During the limited review of first quarter, based on third party information received, one of the Joint auditor requested management to perform independent investigation in relation to certain matters such as merger and acquisition and other financial related matters in respect of parent company. The management decided to carry out investigation through independent agency and appointed independent chartered accountant firm to carry out the investigation in respect of the merger and acquisition and other financial related matters. Based on report of the independent chartered accountant, management concluded that there is no impact on the financial results of the current or the previous periods and the same are not required to be restated.	We reviewed the management's rational of carrying out investigation through an independent firm of Chartered Accountants. We reviewed the scope of work and areas of investigation agreed with the independent chartered accountant firm. We evaluated the competence, capability and objectivity of the firm. We reviewed the report of the firm and procedures performed and conclusion reached by the firm. Based on our procedures, we found management's conclusion to be appropriate and no adverse findings or no adverse observations were found during investigation.

Information Other than the Consolidated 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 consolidated IND AS financial statements and our 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 the other information is materially inconsistent with the consolidated 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 Consolidated 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 preparation of these consolidated IND AS financial statements that give a true and fair view of the consolidated IND AS financial position, consolidated IND AS financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated IND AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 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 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 IND AS financial statements of such entities included in the consolidated IND AS financial statements.

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

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

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

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

Other Matter

i) We did not audit, the financial statements of Twelve subsidiaries whose financial statements reflects total assets of ` 7,865.87 Millions and net assets of ` 3,358.01 Millions as at March 31, 2019, total revenue of ` 8,301.17 Millions and net cash out flow of ` 30.82 Millions for the year ended on that date and the financial statement of associates which reflects group's share of Net Loss ` 14.48 Millions for the year ended on that date. 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, in so far as it relates to the affairs of such subsidiaries and associates, is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

   Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that respective country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India (Ind AS). We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the 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.

ii) The comparative financial information of the group including its associates for the year ended March 31, 2018, included in these consolidated IND AS financial statements, have been audited by the Joint Auditor M/s. S R B C & Co LLP, whose report for the year ended March 31, 2018 dated May 30, 2018 expressed an unmodified opinion.

iii) We have been appointed as joint auditors of the company along with M/s. S R B C & Co. LLP, Chartered Accountants (the 'joint auditor'). The Board of Directors in their meeting held on May 5, 2019 has recommended to terminate Company's joint statutory auditor M/s. S R B C & CO., LLP. The termination is subject to approval of Central Government and shareholders. As informed to us, the shareholders have approved the recommendation of the Board of Directors in the Extra Ordinary General Meeting held on May 30, 2019 and approval of the Central Government is yet to be received as on the date of this report. In view of the above circumstances, the report of joint auditor on these financial statements is not available. Pending receipt of the approval of Central Government and non availability of the report of joint auditor, we have issued separate audit report.

Report on Other Legal and Regulatory Requirements

1. 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 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 consolidated IND AS financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of 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 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 of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

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 consolidated IND AS financial statements disclose impact of pending litigations on the consolidated IND AS financial position of the Group.

b. Provision has been made in the consolidated IND AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For **Shah & Taparia**
Chartered Accountants
Firm Registration No: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
Place of Signature: Gandhinagar
Date: May 30, 2019

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 the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Ltd) (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (" the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Shah & Taparia**
Chartered Accountants
Firm Registration No: 109463W

Ramesh Pipalawa
Partner
Membership Number: 103840
Place of Signature: Gandhinagar
Date: May 30, 2019

Consolidated Balance Sheet

as at March 31, 2019

(` in million)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
I. Non-current assets			
Property, plant and equipment	5	1,937.68	1,687.50
Goodwill	6	16,144.34	16,190.66
Capotal work-in-progress	5	217.36	237.30
Other intangible assets	6	2,935.13	3,267.24
Intangible assets under development	6	107.36	357.76
Financial assets			
Investments	7	996.14	263.70
Other financial assets	7	93.53	234.52
Deferred tax assets (net)	24	8.19	5.33
Income tax assets (net)	9	137.73	122.17
Other non-current assets	8	893.51	1,452.90
Total non-current assets		**23,470.97**	**23,819.08**
II. Current assets			
Inventories	10	-	116.07
Financial assets			
Investments	7	-	2.10
Trade receivables	7	244.45	1,106.96
Cash and cash equivalents	7	1,317.17	1,583.06
Other bank balances	7	10.75	246.56
Loans	7	5.55	6.10
Others financial assets	7	766.54	686.60
Other current assets	8	2,726.55	2,121.60
Total current assets		**5,071.01**	**5,869.05**
Assets classified as held for sale	7	3,201.60	-
Total Assets		**31,743.58**	**29,688.13**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	663.39	542.78
Other equity	12	26,713.05	25,715.90
Equity attributable to equity holders of the parent		**27,376.44**	**26,258.68**
Non-controlling interests		(6.72)	3.55
Total equity		**27,369.72**	**26,262.23**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
Borrowings	13	265.33	353.10
Provisions	14	46.49	41.87
Deferred tax liabilities (net)	24	198.77	96.89
Total non-current liabilities		**510.59**	**491.86**
II. Current liabilities			
Financial liabilities			
Borrowings	13	137.68	317.05
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises	13	5.78	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	178.18	251.82
Other financial liabilities	13	349.57	179.46
Other current liabilities	15	3,138.85	2,128.03
Provisions	14	5.45	9.32
Income tax liabilities (net)	9	47.76	48.36
Total current liabilities		**3,863.27**	**2,934.04**
Total equity and liabilities		**31,743.58**	**29,688.13**

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 30, 2019

Vishal Mehta
Managing Director
DIN: 03093563
Gandhinagar
Date: May 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Consolidated Statement of Profit and Loss

for the year ended March 31, 2019

(` in million)

Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	16	11,590.69	8,393.18
Other income	17	111.27	313.34
Total income (I)		**11,701.96**	**8,706.52**
Expenses			
Purchases of stock-in-trade		2,120.19	2,900.68
Payment gateway processing charges		3,928.69	1,785.43
Changes in inventories of treded goods	18	(94.43)	(21.87)
Employee benefits expense	19	735.96	558.88
Finance costs	20	64.50	57.26
Depreciation and Amortisation expense	21	822.08	664.34
Other expenses	22	3,138.38	1,602.94
Total expenses (II)		**10,715.37**	**7,547.66**
Profit before exceptional items, share of profit / (loss) of an associate and tax (III) - (I-II)		986.59	1,158.86
Exceptional items (IV)	22	471.81	-
Profit after exceptional items but before share of profit / (loss) of an associate and tax (V) - (III+IV)		**1,458.40**	**1,158.86**
Add : Share in net profit / (loss) of associate (VI)		76.31	(6.89)
Profit before tax (VII) = (V+VI)		**1,534.71**	**1,151.97**
Tax expense			
Current tax			
- for current year	24	171.69	91.43
- for previous year		-	1.43
Deferred tax (net)	24	99.78	177.67
Total tax expense (VIII)		**271.47**	**270.53**
Profit for the year (IX) = (VII-VIII)		**1,263.24**	**881.44**
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		3.54	2.81
Income tax effect		(2.12)	(1.15)
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)		**1.42**	**1.66**
Total comprehensive income for the year, net of tax (IX+X)		**1,264.66**	**883.10**
Profit for the year attributable to:			
Equity holders of the parent		1,270.26	882.24
Non-controlling interest		(7.02)	(0.80)
		1,263.24	**881.44**
Total comprehensive income attributable to:			
Equity holders of the parent		1,271.03	884.20
Non-controlling interest		(6.37)	(1.10)
		1,264.66	**883.10**
Earning per equity share [nominal value per share ` 1/- (March 31, 2018: ` 1/-)]			
Basic	30	1.91	1.33
Diluted	30	1.89	1.33
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 30, 2019

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 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Statement of changes in Equity

for the year ended March 31, 2019

A. Equity share capital

(` in million)

Balance	Note 11
As at March 31, 2017	**538.94**
Issue of Equity Share capital	3.84
As at March 31, 2018	**542.78**
Issue of Equity Share capital	120.61
As at March 31, 2019	**663.39**

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	Issue of Shares on Amalgamation	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Share application money pending allotment	Non-Controlling Interest	Total other equity
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		
Balance as at April 1, 2017	0.29	300.18	7,262.45	93.64	(364.79)	(3.46)	-	-	-	-	-	(9.10)	7,288.31
Profit for the period	-	-	-	-	882.24	-	-	-	-	-	-	(0.80)	882.24
Other comprehensive income for the period	-	-		-	1.96	-	-	-	-	-	-	(0.30)	1.96
Employee compensation expense for the year	-	64.79	-	-	-	-	-	-	-	-	-	-	64.79
Transfer to securities premium on exercise of options	-	(159.53)	159.53	-	-	-	-	-	-	-	-	-	-
(Purchase)/sale of treasury shares by the trust during the year (net)	-		-	-	-	-	-	(278.71)		-	-	-	(278.71)
Shares required to be issued as per Scheme of Amalgamation	-	-	-	-	-	-	119.86	-	-	-	-	-	119.86
Premium on shares to be issued as per Scheme of Amalgamation	-	-	-	-	-	-	17,595.45	-	-	-	-	-	17,595.45
On lapse of stock options	-	(0.48)	-	0.48	-	-	-	-	-	-	-	-	-
Share application money received during the year	-		-	-	-		-			-	15.00	-	15.00
Money received against share warrants	-	-	-	-	-	-	-	-	-	100.00	-	-	100.00
Dividend Paid including taxes	-	-	-	-	(65.47)	-	-	-	-	-	-	-	(65.47)
Corpus received of SAR Trust	-	-	-	-	-	-	-	-	-*		-	-	-
Adjustment on account of restatement of provision in subsidiary	-	-	-	-	(11.66)		-	-	-	-	-	-	(11.66)

(` in million)

Particulars	Capital reserve	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Foreign currency monetary item translation reserve	Issue of Shares on Amalgamation	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Share application money pending allotment	Non-Controlling Interest	Total other equity
	Attributable to the equity holders of the parent												
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		
Adjustment on account of change in tax rate on IPO expenses adjusted to securities premium	-	-	4.84	-	-	-	-	-	-	-	-	-	4.84
Adjustment on account of acquisition of DRC and Foreign currency translation	-	-	-	-	-	(0.71)	-	-	-	-	-	13.75	(0.71)
Balance as at March 31, 2018	**0.29**	**204.96**	**7,426.82**	**94.12**	**442.28**	**(4.17)**	**17,715.31**	**(278.71)**	**-**	**100.00**	**15.00**	**3.55**	**25,715.90**
Balance as at April 1, 2018	**0.29**	**204.96**	**7,426.82**	**94.12**	**442.28**	**(4.17)**	**17,715.31**	**(278.71)**	**-**	**100.00**	**15.00**	**3.55**	**25,715.90**
Profit for the period	-	-	-	-	1,270.26	-	-			-	-	(7.02)	1,270.26
Other comprehensive income for the year	-	-		-	0.77	-	-			-	-	0.65	0.77
Employee compensation expense for the year	-	76.43	-	-	-	-	-	-	-	-	-	-	76.43
Transfer to securities premium on exercise of options	-	(31.08)	31.08	-	-	-	-	-	-	-	-	-	-
Premium on shares to be issued as per Scheme of Amalgamation	-	-	17,595.45	-	-	-		-	-	-	-	-	17,595.45
Shares required to be issued as per Scheme of Amalgamation	-	-	-	-	-	-	(119.86)	-	-	-	-	-	(119.86)
Premium on shares issued as per Scheme of Amalgamation	-	-	-	-	-	-	(17,595.45)	-	-	-	-	-	(17,595.45)
Dividend Paid including taxes	-	-	-	-	(79.97)	-	-	-	-	-	-	-	(79.97)
(Purchase)/sale of treasury shares by the trust during the year (net)	-	-	-	-	-	-	-	(117.35)		-	-	-	(117.35)
Money Received against Share warrants	-	-	-	-	-	-	-	-	-	-	-	-	-
Corpus received of SAR Trust	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment on account of change in tax rate on IPO expense adjusted to securities premium	-	-	1.05	-	-	-	-	-	-	-	-	-	1.05
Adjustment on account of restatement of provision in subsidiary	-	-		-	-	-	-	-	-	-	-	-	-
On lapse of stock options	-	(11.10)	-	11.10	-	-	-	-	-	-	-	-	-

(` in million)

Particulars	Attributable to the equity holders of the parent											Non-Controlling Interest	Total other equity
	Capital reserve	Employee stock option outstanding account	Securities premium	General Reserve	Retained Earnings	Foreign currency monetary item translation reserve	Issue of Shares on Amalgamation	Treasury Shares	IEW Trust Reserve	Money Received against Share warrants	Share application money pending allotment		
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12		
Share application money repaid during the year	-	-	-	-	-	-	-	-	-	-	(15.00)	-	(15.00)
Adjustment on account of restatement of provision in subsidiary	-	-	-	-		-	-	-	-	-	-	-	-
derecognition on disinvestment of subsidiary	(0.29)	-	-	-		4.17	-	-	-	-	-	-	3.88
Adjustment on account of acquisition of DRC and Foreign currency translation	-	-	-	-	-	(23.06)	-	-	-	-	-	(3.90)	(23.06)
Balance as at March 31, 2019	**-**	**239.21**	**25,054.40**	**105.22**	**1,633.34**	**(23.06)**	**-**	**(396.06)**	**-**	**100.00**	**-**	**(6.72)**	**26,713.05**

* 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 Reserve". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium Reserve 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 30, 2019

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 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(` in million)

Particulars	March 31, 2019	March 31, 2018
Cash flows from operating activities		
Profit before tax	1,458.40	1,158.86
Adjustments for:		
Depreciation and amortisation expense	822.08	664.34
ESOP expenses	68.92	44.41
Allowance for doubtful debts	29.58	28.77
Allowance for doubtful loans and advances	3.22	2.80
Bad debts written off	44.69	55.60
Balances written off	32.19	63.12
Liabilities / Provision written back	(11.90)	(0.25)
Net unrealised foreign exchange (gain) / loss	9.77	(2.11)
Gain on fair value of Investment	-	(169.23)
Profit on sale of Investment	(171.45)	-
Short term capital gain on sale of mutual fund	(6.56)	(2.54)
Finance costs	64.50	57.27
Interest income	(68.11)	(139.67)
	1,974.97	**1,761.37**
Working capital adjustments :		
Decrease / (increase) in inventories	66.69	(21.87)
(Increase) in trade receivables	163.99	(558.00)
(Increase) / decrease in other assets	(467.21)	(413.46)
(Decrease) / increase in trade payables	84.06	81.64
Increase in provisions and other liabilities	1,492.92	266.94
Cash generated from operating activities	**3,315.42**	**1,116.62**
Income tax paid (net)	(234.31)	(143.42)
Net cash generated from operating activities (A)	**3,081.11**	**973.20**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment and intangible assets (including intangible assets under development)	(1,492.76)	(1,492.76)
Proceeds from sale of property, plant and equipment and intangible assets	-	0.12
Payments for purchase of non-current investments	(2,448.49)	-
Proceeds from buyback of shares	0.02	-
Purchase of mutual fund	(1,352.50)	(525.81)
Proceeds from sale of mutual fund	1,361.16	526.25
Loans and advances (given to)/repaid by related parties	1,360.74	(3.69)
Loans and advances repaid by others	48.36	-
Interest received	76.39	151.93
Payments for / (proceeds from) fixed deposits with bank (net)	227.53	1,562.98
Net cash (used in) investing activities (B)	**(2,219.55)**	**(159.41)**

(` in million)

Particulars	March 31, 2019	March 31, 2018
Cash flows from financing activities		
Proceeds from exercise of ESOP	0.75	3.84
Share application money received/ (repaid)	(15.00)	15.00
Interim Dividend Paid (Including DDT)	(79.97)	(65.46)
Treasury Shares & corpus	(117.35)	(278.71)
Money Received against share warrants	-	100.00
Interest paid	(64.51)	(59.20)
Proceeds / Repayment of borrowings (net)	(267.14)	(683.12)
Net cash (used in) / generated from financing activities (C)	**(543.22)**	**(967.64)**
Net increase in cash and cash equivalents (A+B+C)	**318.34**	**(153.86)**
Cash and cash equivalents at 1 April	1,583.06	1,378.65
Add : Cash & cash equivalents acquired on Amalgamation	-	358.27
Less : Cash and Cash equivalents due to Derecognition in view of disinvestment of subsidiaries	(584.23)	
Cash and cash equivalents at March 31	**1,317.17**	**1,583.06**

Notes:

1. 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".

(` in million)

Particulars	As March 31, 2019	As March 31, 2018
2. Cash and cash equivalents comprises of		
Balances with banks:		
- Current accounts	609.76	1,076.92
- Balance with bank in Nodal Accounts	706.12	155.36
Cheques on hand	-	350.01
Cash on hand	0.89	0.77
Fixed deposit Having Maturity Less Than Three month	0.40	-
Cash and cash equivalents	**1,317.17**	**1,583.06**
Effect of Exchange rate changes	*-	-
Cash and cash equivalents in cash flow statement	**1,317.17**	**1,583.06**

* Represents amount less than one million

As per our report of even date attached

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 30, 2019

Vishal Mehta
Managing Director
DIN: 03093563
Gandhinagar
Date: May 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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 30, 2019.

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 ('INR') 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 March 31, 2019.

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 March 31.

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,

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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 March 31, 2019	As at March 31, 2018
Subsidiaries:			
NSI Infinium Global Private Limited (up to February 28, 2019)	India	95%	100%
Infinium India Limited (up to January 23, 2019)	India	100%	100%
Infibeam Digital Entertainment Private Limited	India	74%	74%
Odigma Consultancy Solutions Private Limited	India	100%	100%
Infibeam Logistics Private Limited	India	100%	100%
Sine Qua Non Solutions Private Limited (up to February 28, 2019)	India	95%	100%
Avenues Infinite Private Limited	India	100%	100%
DRC Systems India Private Limited	India	51%	51%
Infibeam Global EMEA FZ-LLC (up to March 21, 2019)	U.A.E	100%	100%
Rich Relevants Limited (up to March 21, 2019)	U.A.E	100%	-
Vavian International Limited (From July 1, 2018)	U.A.E	100%	-
Avenues World FZ LLC (From July 1, 2018)	U.A.E	100%	-
Associate:			
Avenues Payments Private Limited	India	22.69%	24.74%
Instant Global Paytech Private Limited (From January 03, 2019)	India	48%	-
NSI Infinium Global Private Limited (From March 1, 2019)	India	93.59%	-
Sine Qua Non Solutions Private Limited (From March 1, 2019)	India	93.59%	-
Infibeam Global EMEA FZ LLC (From March 22, 2019)	U.A.E	100%	-
Rich Relevants Limited (From March 22, 2019)	U.A.E	100%	-

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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.

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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.

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.

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.

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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), NSI Infinium Global Private Limited, Odigma Consultancy Solutions Private Limited, Sine Qua Non Solution Private Limited, Infinium India Limited, Infibeam Logistic Private Limited, DRC Systems India Private Limited, Infibeam Digital Entertainment Private Limited and Avenues Infinite Private Limited is the Indian Rupee. The functional currency of Infibeam Global EMEA FZ LLC, Rich Relevants Limited, Vavian 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

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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
- 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

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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
- Trademark acquired on Amalgamation - 25 years

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- IT Platform acquired on Amalgamation - 5 years
- Customer Relationship acquired on Amalgamation - 10 years
- Internally generated Computer Software - 5 years

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

A lease is classified at the inception date as a finance lease or an operating lease. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

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 Non-current assets held for sale

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.

4.8 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.

4.9 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.

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4.10 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.

Refer note 47(e) for impact on adoption of Ind AS 115.

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 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.

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4.11 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

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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 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.

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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**

  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.

4.12 Inventories

Inventories comprise stock-in-trade, are valued at the lower of cost and net realisable value.

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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.

4.13 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.

4.14 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 shares 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.

4.15 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.

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

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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.

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.

4.16 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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.

4.17 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, 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.

4.18 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.

4.19 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.

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for the year ended March 31, 2019

4.20 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.

4.21 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.

4.22 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

  Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The effect of this amendment on the financial statements of the Group is being evaluated.

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Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

Further, the amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Group does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Group does not expect any impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. Group does not expect any impact from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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for the year ended March 31, 2019

5. Property, plant and equipment

(` in million)

Particulars	Buildings	Office Equipment	Electronic Equipment	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Computer equipment	Vehicles	Capital Work in Progress	Total
Cost										
As at March 31, 2017	5.79	-	-	-	16.75	13.43	43.73	-	994.67	1,074.37
Acquired on Amalgamation (refer note 37)	-	11.52	1.58	17.86	-	28.55	40.98	11.46	-	111.95
Acquired on acquis ion of subsidiary (refer note 37)	-	-	-	-	4.10	1.03	2.69	-	-	7.82
Additions	1,552.30	0.35	27.16	14.92	2.13	40.25	24.37	-	871.83	2,533.31
Deductions	-	-	-	-	(0.08)	(0.01)	(0.05)	-	-	(0.14)
Exchange difference	-	-	-	-	-	-	0.21	-	-	0.21
Capitalized	-	-	-	-	-	-	-	-	(1,629.20)	(1,629.20)
As at March 31, 2018	**1,558.09**	**11.87**	**28.74**	**32.78**	**22.90**	**83.25**	**111.93**	**11.46**	**237.30**	**2,098.32**
Additions	96.00	2.93	0.31	0.26	0.02	2.15	268.57	65.94	64.09	500.27
Acquired on Acquisition	-	-	-	-	-	0.87	0.35	-	-	1.22
Derecognition in view of disinvestment of subsidiaries	(8.54)	(64.21)	-	-	(20.96)	(25.65)	(80.90)	(6.85)	-	(207.11)
Deductions	-	-	-	-	(0.13)	(0.09)	(0.09)	-	-	(0.31)
Capitalized	-	-	-	-	-	-	-	-	(84.03)	(84.03)
As at March 31, 2019	**1,645.55**	**(49.41)**	**29.05**	**33.04**	**1.83**	**60.53**	**299.86**	**70.55**	**217.36**	**2,308.36**
Depreciation:										
As at March 31, 2017	1.35	-	-	-	8.49	6.15	27.77	-	-	43.76
Depreciation for the year	37.39	6.41	4.81	14.25	4.73	22.57	34.75	4.86	-	129.77
Accumulated depreciation on deductions	-	-	-	-	-	-	(0.01)	-	-	(0.01)
As at March 31, 2018	**38.74**	**6.41**	**4.81**	**14.25**	**13.22**	**28.72**	**62.51**	**4.86**	**-**	**173.52**
Depreciation	79.58	4.63	9.05	4.26	2.34	15.87	38.95	2.83	-	157.51
Exchange difference	-	-	-	-	-	-	0.07	-	-	0.07
Acquired on acquisition	-	-	-	-	-	0.25	0.32	-	-	0.57
Derecognition in view of disinvestment of subsidiaries	(5.11)	(61.66)	-	-	(18.38)	(21.62)	(64.70)	(6.81)	-	(178.28)
Accumulated depreciation on deductions	-	-	-	-	-	-	(0.07)	-	-	(0.07)
As at March 31, 2019	**113.21**	**(50.62)**	**13.86**	**18.51**	**(2.82)**	**23.22**	**37.08**	**0.88**	**-**	**153.32**
Net Block										
As at March 31, 2019	**1,532.34**	**1.21**	**15.19**	**14.53**	**4.65**	**37.31**	**262.78**	**69.67**	**217.36**	**2,155.04**
As at March 31, 2018	**1,519.35**	**5.46**	**23.93**	**18.53**	**9.68**	**54.53**	**49.42**	**6.60**	**237.30**	**1,924.80**
As at March 31, 2017	**4.44**	**-**	**-**	**-**	**8.26**	**7.28**	**15.96**	**-**	**994.67**	**1,030.61**

Net book value

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Property, Plant and Equipment	1,937.68	**1,687.50**	**35.94**
Capital Work-in-progress	**217.36**	**237.30**	**994.67**

Capital work-in-progress for property, plant and equipment as at March 31, 2019 comprises expenditure for data centre equipment and related infrastructure in the course of construction.

6. Other intangible assets and intangible assets under development

(₹ 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, 2017	971.38	-	192.97	-	-	-	-	1,164.35	211.15	58.38
Additions	260.71	-	178.45	-	-	-	-	439.16	146.61	-
Acquired on Amalgamation (refer note 37)	19.63	597.80	-	1,563.10	360.10	-	-	2,540.63	-	16,114.18
Foreign currency translation	2.59	-	7.34	-	-	-	-	9.93	-	-
Acquired on acquis ion of subsidiary (refer note 37)	0.47	-	-	1.90	-	0.09	0.58	3.04	-	18.10
As at March 31, 2018	**1,254.78**	**597.80**	**378.76**	**1,565.00**	**360.10**	**0.09**	**0.58**	**4,157.11**	**357.76**	**16,190.66**
Additions	1,354.51	-	-	-	-	-	-	1,354.51	77.12	-
Foreign currency translation	2.05	-	-	-	-	-	-	2.05	-	-
Acquired on Acquisition	137.69	-	-	-	-	-	-	137.69	-	11.42
Derecognition in view of disinvestment of subsidiaries	(1,613.92)	-	(378.76)	-	-	-	-	(1,992.68)	-	(57.74)
Capitalised during the year	-	-	-	-	-	-	-	-	(327.52)	-
As at March 31, 2019	**1,135.11**	**597.80**	**(0.00)**	**1,565.00**	**360.10**	**0.09**	**0.58**	**3,658.68**	**107.36**	**16,144.34**
Amortisation:										
Accumulated amortisation as at March 31, 2017	343.38	-	11.85	-	-	-	-	355.23	-	-
Amortisation	242.41	23.91	39.33	156.69	72.02	0.09	0.12	534.57	-	-
Foreign currency translation	0.03	-	0.04	-	-	-	-	0.07	-	-
Accumulated amortisation as at March 31, 2018	**585.82**	**23.91**	**51.22**	**156.69**	**72.02**	**0.09**	**0.12**	**889.87**	**-**	**-**
Amortisation	336.07	23.91	75.76	156.69	72.02	-	0.12	664.57	-	-
Foreign currency translation	2.58	-	2.06	-	-	-	-	4.64	-	-
Acquired on Acquisition	9.83	-	-	-	-	-	-	9.83	-	-
Derecognition in view of disinvestment of subsidiaries	(716.32)	-	(129.04)	-	-	-	-	(845.36)	-	-
Accumulated amortisation as at March 31, 2019	**217.98**	**47.82**	**-**	**313.38**	**144.04**	**0.09**	**0.24**	**723.55**	**-**	**-**
Net Block										
As at March 31, 2019	**917.13**	**549.98**	**(0.00)**	**1,251.62**	**216.06**	**-**	**0.34**	**2,935.13**	**107.36**	**16,144.34**
As at March 31, 2018	**668.96**	**573.89**	**327.54**	**1,408.31**	**288.08**	**-**	**0.46**	**3,267.24**	**357.76**	**16,190.66**
As at March 31, 2017	**628.00**	**-**	**181.12**	**-**	**-**	**-**	**-**	**809.12**	**211.15**	**58.38**

Net book value

(₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Goodwill	**16,144.34**	**16,190.66**	**58.38**
Intangible assets	**2,935.13**	**3,267.24**	**809.12**
Intangible assets under development	**107.36**	**357.76**	**211.15**

Intangible assets under development as at March 31, 2019 comprises expenditure for the development of computer software i.e. IT framework.

*Addition to the intangible assets under development includes ESOP cost and salary cost capitalised amounting to ₹ 7.35 million (March 31, 2018: ₹ 20.38 million) and ₹ 69.77 million (March 31, 2018: ₹ 118.37 million) respectively.

Goodwill arising on Amalgamation

"Goodwill includes goodwill arising on amalgamation of Avenues (India) Private Limited and acquisition of DRC Systems Private Limited fully described in note 37 of the financial statements.

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 generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculations are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments."

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7. Financial assets

7 - Investments

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
NON-CURRENT INVESTMENT		
Investment stated at cost		
(A) Investment in Associates (Unquoted)		
Avenues Payments India Private Limited (Investment)		
34,791 (March 31, 2018 : 36,541) equity shares (refer note 37)	214.03	224.80
Less: Share of profit / (loss)	(5.75)	(6.89)
Instant Global Paytech Private Limited		
14,400 (March 31, 2018: Nil) equity shares	60.00	-
Less: Share of profit / (loss)	(2.93)	-
NSI Infinium Global Private Limited	-	-
Less: Share of profit / (loss)	(20.43)	-
Sine Qua Non Solutions Private Limited	-	-
Less: Share of profit / (loss)	(0.17)	-
Infibeam Global EMEA FZ - LLC	-	-
Less: Share of profit / (loss)	39.67	-
Richrelevant Limited	-	-
Less: Share of profit / (loss)	65.93	-
	350.35	**217.91**
Investment stated at Fair Value through OCI		
(A) Investment in Equity Instrument		
a. Investment in others (Unquoted)		
JRI Technology Private Limited (Investment)	15.79	15.79
220,625 (March 31, 2018 : 220,625) equity shares (refer note 37)		
Ingenius E-Commerce Private Limited		
197,400 (March 31, 2018 : Nil) equity shares	600.00	-
	615.79	**15.79**
(B) Investment in Preference Instrument in Associates (Unquoted)		
Avenues Payments India Private Limited	30.00	30.00
4,876 (March 31, 2018 : 4,876) preference shares (refer note 29)		
	30.00	30.00
Total Non - Current Investments	**996.14**	**263.70**
CURRENT		
Investment stated at Fair Value through Profit and Loss (FVTPL)		
a. Investment in fully paid up units of mutual funds (Quoted)	-	2.10
Total Current Investments	**-**	**2.10**
Assets classified as held for sale		
Investment in equity shares (unquoted) held for sale - carried at lower of cost or net-realisable value		
NSI Infinium Global Private Limited*	907.88	
17,120 (March 31, 2018 : Nil) equity shares		
Infibeam Global EMEA FZ - LLC*	2,293.72	-
36,016 (March 31, 2018 : Nil) equity shares		
	3,201.60	**-**
Total Investments	**4,197.74**	**265.80**
Total non-current investment	**996.14**	**263.70**
Aggregate amount of unquoted investments	996.14	263.70
Impairment of investment	-	-
Total current investment	-	2.10
Aggregate amount of quoted investments	-	2.10

* The investment in NSI Infinium Global Private Limited and Infibeam Global EMEA FZ - LLC are classified as held for sale as they meet the criteria laid out under Ind AS 105. (refer note 45)

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for the year ended March 31, 2019

7 - Loans

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Unsecured considered good		
Loan to others *	5.55	6.10
	5.55	6.10
Total Loans	**5.55**	**6.10**

* The above loans are unsecured, repayable on demand , carrying interest @ 11% and the same has been given for the purpose of business operations.

7 - Other financial assets

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Security Deposits*	1.20	1.43
Bank deposits with original maturity of more than 12 months (including accrued interest) #	92.33	233.09
Unsecured, considered doubtful		
Security deposits	-	0.21
Less: Allowance for doubtful security deposits	-	(0.21)
	93.53	**234.52**
Current		
Unsecured, considered good		
Security deposits	7.78	11.89
Unbilled revenue	184.67	137.37
Advance to employees (refer note 29)	2.91	10.50
Other assets	-	68.59
Bank deposits maturing within 12 months from reporting date (including accrued interest)#	566.90	456.01
Interest accrued but not due on bank deposits	4.28	2.24
Unsecured, considered doubtful		
Security deposits	1.35	3.70
Less: Allowance for doubtful security deposits	(1.35)	(3.70)
	766.54	**686.60**
Total other financial assets	**860.07**	**921.12**

* Pertains to deposit given to director of the Company (refer note 29)
# Refer Note 40 for details of IPO related Funds.
# Fixed deposit of ` 46.92 million (March 31, 2018 ` 306.36 million) are under lien against bank guarantee issued by the Company

7 - Trade receivables

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Unsecured, considered good	244.45	1,106.96
Unsecured, which are credit impaired	41.59	37.70
	286.04	**1,144.66**
Less : Allowance for doubtful debts	(41.59)	(37.70)
Total Trade and other receivables	**244.45**	**1,106.96**

(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 29
(iii) For explanation on Company's credit risk management process, refer note 35

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

7 - Cash and cash equivalent

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Bank		
Current accounts*	609.76	1,076.92
Balance with bank in Nodal Accounts	706.12	155.36
Cheques on hand	-	350.01
Cash on hand	0.89	0.77
Fixed deposit Having Maturity less than three months	0.40	-
Total cash and cash equivalents	**1,317.17**	**1,583.06**

* Refer note 38 for details of IPO related funds

7 - Other bank balance

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity of more than three months but less than 12 months (refer notes below)	10.56	246.55
Earmarked balances for unclaimed dividend	0.19	0.01
Total other bank balances	**10.75**	**246.56**

1. Fixed deposit of ` 10.56 million (March 31, 2018 ` 0.20 million) are under lien against bank guarantee issued by the group.
2. Refer note 40 for details of IPO related funds

7 - Financial assets by category

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2019				
Investment				
- Equity shares	3,551.95	615.79		
- Preference shared	30.00			
- Mutual fund			-	
Trade receivables				244.45
Loans				5.55
Cash and cash equivalents and other bank balances				1,327.92
other financial assets				860.07
Total Financial assets	**3,581.95**	**615.79**	**-**	**2,437.99**

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2018				
Investment				
- Equity shares	224.80	15.79	-	-
- Preference shared	30.00		-	-
- Mutual fund	-	-	2.10	-
Trade receivables	-	-	-	1,106.96
Loans	-	-	-	6.10
Cash and cash equivalents and other bank balances	-	-	-	1,829.62
other financial assets	-	-	-	921.12
Total Financial assets	**254.80**	**15.79**	**2.10**	**3,863.80**

For Financial instruments risk management objectives and policies, refer Note 35
Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 35.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

8. Other assets

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Unsecured, considered good		
Capital advances	818.98	1,451.63
Prepaid expense	74.50	0.61
Security deposit	0.03	0.66
Total Non-current Assets	**893.51**	**1,452.90**
Current		
Unsecured, considered good		
Advance to suppliers	574.22	644.00
Balance with government authorities	207.79	132.22
Export incentive receivable	29.40	30.57
Security deposit	0.10	-
Prepaid expenses	39.11	8.16
Other assets	7.43	24.37
Receivable for settlement of payment gateway transaction (refer note 38)	1,868.50	1,282.28
Unsecured, considered doubtful		
Advance to suppliers	2.99	8.12
Less : Allowance for doubtful advances	(2.99)	(8.12)
Total current Assets	**2,726.55**	**2,121.60**
Total	**3,620.06**	**3,574.50**

9. Income taxes

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax paid in advance (net of provision) (refer note 24)	137.73	122.17
Total	**137.73**	**122.17**
Provision for tax (net of advance tax) (refer note 24)	47.76	48.36
Total	**47.76**	**48.36**

10. Inventories (At lower of cost and net realisable value)

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Stock-in-trade*	-	116.07
Total	**-**	**116.07**

* including goods-in-transit ` NIL (March 31, 2018: ` 10,154,186)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

11. Equity share capital

Particulars	As at March 31, 2019		As at Mar 31, 2018	
	No. of shares	(` in million)	No. of shares	(` in million)
Authorised share capital*				
Equity shares of ` 1 each	680,000,000	680.00	680,000,000	680.00
0.01% Cummulative Compulsorily Convertible Preference shares of ` 10 each	250,000	2.50	250,000	2.50
Issued and subscribed share capital				
Equity shares of ` 1 each	663,392,240	663.39	542,783,390	542.78
Subscribed and fully paid up				
Equity shares of ` 1 each	663,392,240	663.39	542,783,390	542.78
Total	**663,392,240**	**663.39**	**542,783,390**	**542.78**

* represents authorised share capital as per scheme of arragement approved by National Company Law Tribunal, Ahmedabad Bench dated May 7, 2018. Company has made requisite filing with Monistry of Corporate Affairs on May 10, 2018

11.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2019		As at Mar 31, 2018	
	No. of shares	(` in million)	No. of shares	(` in million)
At the beginning of the year	542,783,390	542.78	538,939,200	538.94
Add:				
Shares allotted pursuant to exercise of Employee stock option plan	748,850	0.75	3,844,190	3.84
Shares issued as per scheme of amalgamation (refer note 37)	119,860,000	119.86		
Outstanding at the end of the year	663,392,240	663.39	542,783,390	542.78

11.2. Terms/Rights attached to the equity shares

The Company has equity shares having a par value of ` 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 32 regarding employee share based payments.

11.3. Terms/Rights attached to preference shares

Each convertible preference share has a par value of ` 10 and is convertible at the option of the shareholders into one Equity share of the Company . The preference shares carry a dividend of 0.01% per annum, payable annually. The dividend rights are cumulative. The preference shares rank ahead of the equity shares in the event of a liquidation. These, however are not issued.

11.4. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the Shareholders	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Ajit C Mehta	30,114,780	4.54	30,114,780	5.55
Vishal A Mehta	59,959,400	9.04	59,959,400	11.05
Jayshree Mehta	30,114,780	4.54	30,114,780	5.55
Infinium Motors Private Limited	53,047,220	8.00	53,047,220	9.77
Vishwas A Patel	76,595,662	11.55	-	-

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

11.5. 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 32. Also refer note 37, for shares issued under business combination.

11.6. Distribution made and proposed

(` in million)

Particulars	March 31, 2019	March 31, 2018
Cash dividends on Equity Shares declared and paid:		
Final dividend for year ended March 31, 2018: ` 0.10 Per share (March 31, 2017: ` Nil Per Share)	66.34	-
Less: Paid to IEW Trust (refer note 39)	(0.23)	-
Net final dividend paid	**66.11**	**-**
Interim dividend for year ended March 31, 2019: ` Nil Per share (March 31, 2018: ` 0.10 Per Share)	-	54.28
Less: Paid to IEW Trust (including payable to IEW Trust) (refer note 39)	-	(0.17)
Net interim dividend paid	**-**	**54.11**
Proposed dividends on Equity Shares:		
Final cash dividend for March 31, 2019: ` Nil Per share (March 31, 2018: ` 0.10 Per Share) (including Payable to IEW trust)	-	54.28

Note: Refer note 29 for dividend paid to related party

12. Other Equity

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve		
Opening balance	0.29	0.29
Less : derecognition on disinvestment of subsidiary	(0.29)	-
Balance at the end of the year	**-**	**0.29**
General reserve		
Opening balance	94.12	93.64
Add: Addition on account of lapse of options	11.10	0.48
Balance at the end of the year	**105.22**	**94.12**
Securities premium		
Opening balance	7,426.82	7,262.45
Add: on exercising of options	31.08	159.53
Add: on issue of shares as per Scheme of Amalgamation (refer note 37)	17,595.45	-
Add: Tax on IPO expenses adjusted to securities premium, Ind AS adjustment	1.05	4.84
Balance at the end of the year	**25,054.40**	**7,426.82**
Issue of Shares on Amalgamation (refer note 37)		
Opening balance	17,715.31	-
Shares issued as per Scheme of Amalgamation	(119.86)	119.86
Premium on shares issued as per Scheme of Amalgamation	(17,595.45)	17,595.45
Balance at the end of the year	**-**	**17,715.31**
Foreign currency monetary item translation reserve		
Opening balance	(4.17)	(3.46)
Add: adjustment during the year	(23.06)	(0.71)
Less : derecognition on disinvestment of subsidiary	4.17	-
Balance at the end of the year	**(23.06)**	**(4.17)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Employees Stock Options Outstanding (Net)- (Refer Note 32)		
Opening balance	205	300.18
Add : Employee compensation expense for the year	76.43	64.79
Less: Transfer to securities premium on exercise of options	(31.08)	(159.53)
Less: Reversal due to lapse of options	(11.10)	(0.48)
Balance at the end of the year	**239.21**	**204.96**
Money received against share warrants	**100.00**	**100.00**
Treasury Shares (refer note 39)		
Opening balance	(278.71)	-
Add : (Purchase)/sale of treasury shares by the trust during the year	(117.35)	(278.71)
Balance at the end of the year	**(396.06)**	(278.71)
IEW Trust Reserve (refer note 39)		
Opening balance	-*	-
Add : received during the year	-	-*
Balance at the end of the year	**-***	**-***
Share application money pending allotment		
Opening balance	15.00	
Add: Received during the year	-	15.00
Less: Repaid during the year	(15.00)	
Balance at the end of the year	**-**	**15.00**
Surplus in statement of profit and loss		
Opening balance	442.28	(364.79)
Add: profit for the year	1,270.26	882.24
Add: OCI for the year	0.77	1.96
Less: Adjustment on account of restatement of provision in subsidiary	-	(11.66)
	1,713.31	**507.75**
Less: Appropriation		
Dividend paid (refer note 29)	(66.11)	(54.11)
Dividend Distribution Tax	(13.86)	(11.36)
Balance at the end of the year	**1,633.34**	**442.28**
Total Other equity	**26,713.05**	**25,715.90**

* 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 Reserve". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium Reserve 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 recognise the grant date fair value of options issued to employees under group's employee stock option schemes.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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 ` 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 million. The Company has received ` 100 million on March 28, 2018 and alloted warrants for the same on March 29, 2018.

13. Financial liabilities

13 - Borrowings

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	263.70	351.60
Unsecured		
From Related Parties (refer note 29)	1.63	1.50
Total long-term borrowings	**265.33**	**353.10**
Short-term Borrowings		
Secured		
Term loans from banks (refer note below)	87.90	106.54
Under LC arrangement (refer note below)	-	177.81
Unsecured		
Loan		
From Related Parties (refer note 29)	-	32.70
From Others	49.78	-
Total short-term borrowings	**137.68**	**317.05**
Total borrowings	**403.01**	**670.15**

Terms of borrowings:

Term Loan:

The company has a Rupee Term Loan sanctioned facility of ` 42.75 Crores (previous year ` 225 crore) from Indusind Bank Limited. The facility carries interest of 10.65%. The facility is secured against the mortgage of Gift Two building, Gift City , Gandhinagar. The term loan is repayable in quarterly installments of ` 2.25 cr.

LC arrangement

During the previous year, the Company had availed letter of credit from HDFC Bank Ltd for INR 130 million towards purchase of Capital Assets expiring at 175 days from acceptance date. The same was secured against fixed deposit of INR 26 million.

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.

Loan from related party

Loan from directors is unsecured, repayable on demand and is interest free.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

13 - Trade payable

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	5.78	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	178.18	251.82
	183.96	**251.82**
Total	**183.96**	**251.82**

(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 31.

(iii) For explanation on Company's liability risk management process, refer note 35.

(iv) Refer note 29 for trade payable to related parties.

13 - Other financial liabilities

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Payable to employees	37.61	44.75
Creditor for capital goods	70.11	6.66
Interest accrued and due on term loan	0.11	0.12
Creditor for expenses	53.22	11.53
Other payables	68.49	27.74
Unpaid dividends	0.19	0.01
Bonus payable	-	3.85
Deposits	7.88	10.72
Provision for expenses	87.05	73.64
Payable to Company for reimbursement of expenses (net)	4.60	-
Book overdraft	20.31	0.44
Total Current financial liabilities	**349.57**	**179.46**
Total	**349.57**	**179.46**

13 - Financial liabilities by category

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2019			
Borrowings	-	-	403.01
Trade payable	-	-	183.96
Other financial liabilities	-	-	349.57
Total Financial liabilities	**-**	**-**	**936.54**

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2018			
Borrowings	-	-	670.15
Trade payable	-	-	251.82
Other financial liabilities	-	-	179.46
Total Financial liabilities	**-**	**-**	**1,101.43**

For Financial instruments risk management objectives and policies, refer Note 35

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 35.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

14. Provisions

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Long Term		
Provision for employee benefits (refer Note 28)		
Provision for gratuity	46.49	41.87
	46.49	41.87
Short Term		
Provision for employee benefits (refer Note 28)		
Provision for gratuity	5.45	9.32
	5.45	**9.32**
Total	**51.94**	**51.19**

15. Other current liabilities

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Unsecured, considered good		
Advances received from customers	84.34	156.08
Excess billing over revenue	227.17	6.69
Provision for expenses	6.25	-
Other liabilities	31.05	0.30
Payable for settlement of payment gateway transaction (refer note 38)	2,726.89	1,732.25
Payable to statutory authorities		
Service tax payable	-	26.06
Others	63.15	206.65
	3,138.85	**2,128.03**
Total	**3,138.85**	**2,128.03**

16. Revenue from operations

(` in million)

Particulars	2018-19	2017-18
Sale of products	2,026.08	2,979.56
Sale of services	9,529.74	5,387.61
Operating income		
Export incentives	34.87	26.01
	34.87	**26.01**
Total	**11,590.69**	**8,393.18**

17. Other income

(` in million)

Particulars	2018-19	2017-18
Interest income on:		
- bank deposits	64.59	92.70
- others	3.52	46.97
Net gain on account of foreign exchange fluctuations	21.87	-
Short Term Capital Gain on sale of mutual funds	6.56	2.54
Liabilities / Provision no longer required written back	11.90	0.25
Gain on fair value of Investment#	-	169.23
Miscellaneous income	2.83	1.65
Total	**111.27**	**313.34**

#Fair valuation of investment in CCPS on account of step up acquisition of equity shares of Avenues India Private Limited (refer note 37)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

18. Changes in inventories of stock-in -trade

(` in million)

Particulars	2018-19	2017-18
Opening stock of traded goods	116.07	94.20
Closing stock of traded goods*	(210.50)	(116.07)
Total	**(94.43)**	**(21.87)**

* Considered till the date of disposal of subsidiaries.

19. Employee benefits expense

(` in million)

Particulars	2018-19	2017-18
Salaries and wages^	646.66	493.82
Contribution to Provident Fund and Other Funds (refer note 28)	13.44	14.18
Employee stock option (ESOP) outstanding expenses*	68.92	44.41
Staff welfare expenses	6.94	6.47
Total	**735.96**	**558.88**
^Salaries,wages and bonus (net of capitalisation)		
Salaries,wages and bonus	716.43	612.19
less : Cost capitalised	(69.77)	(118.37)
Salaries,wages and bonus cost for the year	**646.66**	**493.82**
*** Employee stock option outstanding expenses**		
Share based payment expenses	76.43	64.79
less : Cost capitalised	(7.35)	(20.38)
Less: Cost recovered from associates	(0.16)	-
ESOP cost for the year	**68.92**	**44.41**

20. Finance costs

(` in million)

Particulars	2018-19	2017-18
Interest expense on:		
- Bank loans	44.88	50.04
- statutory dues	11.59	6.06
- others	5.93	0.12
Interest on income tax for previous year	-	0.29
Other borrowing cost	2.10	0.75
Total	**64.50**	**57.26**

21. Depreciation and Amortization expense

(` in million)

Particulars	2018-19	2017-18
Depreciation on Tangible assets (refer note 5)	157.51	129.77
Amortization on Intangible assets (refer note 6)	664.57	534.57
Total	**822.08**	**664.34**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

22. Other expenses

(` in million)

Particulars	2018-19	2017-18
Telephone and other communication expenses	12.24	11.35
CSR Expenses (refer note 44)	3.45	1.38
Power and fuel	22.39	16.78
Gateway service charges	0.06	0.79
House keeping	1.06	1.45
Legal and professional fees	69.97	61.96
Office expenses	37.63	14.81
Printing and Stationary	0.71	0.98
Rent (refer note 34)	37.96	49.07
Rates and taxes	43.19	13.46
Insurance	0.47	0.87
Packing material	1.95	4.29
Repairs and maintenance		
Other	1.55	3.97
Security service charges	4.19	5.45
Software development expenses	1.88	0.48
Travelling and conveyance	18.44	20.86
Payment to auditors (refer note 23)	7.43	6.88
Vehicle hire charges	0.95	0.92
Web hosting and server support expenses	24.30	41.01
Web service expenses	29.34	26.48
Net loss on account of foreign exchange fluctuations	-	13.48
Event management expenses	46.23	60.41
Service charges	7.43	6.46
Director sitting fees	1.32	0.87
Allowance for doubtful debts	29.58	28.77
Allowance for doubtful loans and advances	3.22	2.80
Postage and courier	23.41	36.59
Commission expenses	0.36	1.15
Sales promotion	1.29	6.74
Advertising expenses	2,619.61	1,018.29
Bad debts written off	44.69	55.60
Balances written off	32.19	63.12
Miscellaneous expenses	9.89	25.42
Total	**3,138.38**	**1,602.94**

Exceptional items

(` in million)

Particulars	2018-19	2017-18
Profit on sale/disinvestment of subsidiaries	(482.55)	-
Loss on sale of Investment in associate	10.75	-
Total	**(471.80)**	**-**

23. Payment to auditors

(` in million)

Particulars	2018-19	2017-18
As auditor		
Statutory audit	3.16	2.70
Limited review	3.90	3.90
Reimbursement of expenses	0.37	0.28
Total	**7.43**	**6.88**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

24. Income tax

The major component of income tax expense for the years ended March 31, 2019 and March 31, 2018 are :

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Statement of Profit and Loss		
Current tax		
- for the current year	171.69	91.43
- for the previous year	-	1.43
Deferred tax		
Deferred tax expense/ (credit) relating to origination and reversal of temporary difference	99.78	177.67
Income tax expense reported in the statement of profit and loss	**271.47**	**270.53**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2019 and March 31, 2018.

A) Current tax

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Accounting profit before tax from continuing operations	1,458.40	1,158.86
Enacted tax rate	34.94%	34.61%
Computed expected tax expense	509.62	401.06
Adjustments		
Deferred tax not recognised not considered reasonably uncertain of realisation	9.46	8.92
Effect of non-deductable expenses	2.51	3.40
Effect of tax paid under differential tax rate	46.36	122.94
Tax expenses for earlier year	-	1.43
Tax benefit on brought forward losses	(4.50)	(54.78)
Tax exempt income of foreign subsidiaries	(232.82)	(218.50)
Other adjustments	(59.16)	6.06
Income tax expenses:	**271.47**	**270.53**

B) Deferred tax

(` in million)

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Deferred income tax assets				
Excess of depreciation/ amortisation on fixed assets provided in accounts over depreciation/ amortisation under Income tax Act, 1961	(11.23)	70.65	(12.65)	48.52
Provision for employee benefits	17.75	15.49	7.46	9.84
Provision for doubtful trade receivables	-	3.10	-	2.27
Provision for doubtful loans and advances	-	3.35	-	(0.82)
Provision for doubtful advances to suppliers	-	6.18	-	0.75
Brought forward losses	5.77	56.14	4.42	(54.33)
Unabsorbed depreciation	0.21	68.12	0.05	36.28
IPO Expenses	120.16	119.00	0.10	4.84
Provision for diminution in value of investment and doubtful debts	16.05	10.46	5.63	5.71
Total deferred income tax assets	**148.71**	**352.49**		

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(` in million)

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Deferred income tax liabilities				
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	(338.77)	(208.31)	(130.71)	(205.95)
Provision for employee benefits		-		
Fair valuation of investment	(0.52)	(25.92)	25.92	(24.78)
Total deferred income tax liabilities	**(339.29)**	**(234.23)**		
Deferred tax (expense) / income*			**(99.78)**	**(177.67)**
Net deferred tax assets/(liabilities)*	**(190.58)**	**118.26**		
Reflected in the balance sheet as follows				
Deferred tax assets	8.19	5.33		
Deferred tax liabilities	(198.77)	(96.89)		
Deferred tax assets (net)	**(190.58)**	**(91.56)**		

(` in million)

Particulars	March 31, 2019	March 31, 2018
Reconciliation of deferred tax assets/(liabilities), net		
Opening balance as of April 1	(91.56)	112.19
Tax income/(expense) during the period recognised in profit or loss	(99.78)	(177.67)
Deferred tax liability acquired on merger with Avenues (India) Private Limited	-	(3.34)
Tax expense on IPO expense adjusted to securities premium	1.16	4.84
Impact on fair valuaction of assets on merger adjusted against goodwill	-	(26.43)
Derecognition in view of disinvestment of subsidiaries	1.72	-
Tax income/(expense) during the period recognised in OCI	(2.12)	(1.15)
Closing balance as at March 31	**(190.58)**	**(91.56)**

Reconciliation of deferred tax assets / (liabilities), net

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.

25. Contingent liabilities

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts (refer note 1 below)	-	20.00
b. Guarantees given by bank on behalf of the Company	-	95.91

Note 1 - Civil suit : A customer has filed civil suit against Company and its erstwhile subsidiary Company for violating trademark at civil court of Ahmedabad claiming damages of ` 20 million. The said suit stands disposed of, with no orders as to cost by the civil court of Ahmedabad vide order dated December 8, 2018.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

26. Capital commitment and other commitments

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	**2,019.17**	**2,399.07**

27. 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, 2019		Year ended March 31, 2018	
		Foreign currency	Local Currency (` in million)	Foreign currency	Local Currency (` in million)
Trade payables	USD	1,880,046	130.01	47,736	3.10
Trade payables	EURO	-	-	342,302	28.11
Trade payables	GBP	-	-	1,598	0.15
Creditors for expenses	USD	33,390	2.31	16,533	1.08
Creditors for expenses	GBP	13,029	1.18		
Provision for expenses	USD	41,695	2.88	20,259	1.32
			136.38		**33.76**
Trade receivables	USD	3,100,837	214.44	7,448,810	484.50
Trade receivables	AED	495,554	9.33	222,950	3.95
Trade receivables	SAR	752,400	13.87	156,000	2.71
Trade receivables	EURO	-	-	-	-
Bank balance	AED	-	-	835,146	14.81
Bank balance	USD	4,241,350	293.31	5,051,724	328.58
Loans and advances	USD	-	-	3,933	0.26
Accrued revenue	USD	-	-	1,137,449	73.98
Accrued revenue	AED	-	-	4,907	0.09
Accrued revenue	SAR	-	-	396,000	6.88
			530.95		**915.76**

28. 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, 2019	As at March 31, 2018
Provident Fund	11.53	11.99
ESIC	1.92	2.19
	13.45	**14.18**

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, 2019 : 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, 2018	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, 2019
Gratuity														
Defined benefit obligation	51.78	-	5.60	2.72	8.32	(1.28)	-	-	0.90	4.76	5.66	-	(12.54)	51.94
Fair value of plan assets	0.59	-	-	-	-	-	-	-	-	-	-	-	(0.59)	-
Benefit liability	51.19	-	5.60	2.72	8.32	(1.28)	-	-	0.90	4.76	5.66	-	(11.95)	51.94
Total benefit liability	**51.19**	**-**	**5.60**	**2.72**	**8.32**	**(1.28)**	**-**	**-**	**0.90**	**4.76**	**5.66**	**-**	**(11.95)**	**51.94**

March 31, 2018 : 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, 2017	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, 2018
Gratuity														
Defined benefit obligation	20.70	20.31	15.47	2.76	38.54	(2.63)	-	(2.09)	4.25	(6.99)	(4.83)	-	-	51.78
Fair value of plan assets	1.16	-	-	0.15	0.15	(1.76)	(0.46)	-	-	-	(0.46)	1.50	-	0.59
Benefit liability	19.54	20.31	15.47	2.61	38.39	(0.87)	0.46	(2.09)	4.25	(6.99)	(4.37)	(1.50)	-	51.19
Total benefit liability	**19.54**	**20.31**	**15.47**	**2.61**	**38.39**	**(0.87)**	**0.46**	**(2.09)**	**4.25**	**(6.99)**	**(4.37)**	**(1.50)**		**51.19**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	6.8% - 7.35%	7.3% - 7.5%
Future salary increase	10% - 12%	4% - 12%
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 to 60 years	58 to 60 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(` in million)

		(increase) / decrease in defined benefit obligation (Impact)	
Particulars	Sensitivity level	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity			
Discount rate	0.5% increase	15.64	18.93
	0.5% decrease	19.25	21.85
Future Salary increase	0.5% increase	18.84	21.55
	0.5% decrease	15.94	19.12
Withdrawal rates (W.R.)	10% increase	16.65	14.66
	10% decrease	18.15	15.76

The followings are the expected future benefit payments for the defined benefit plan :

(` in million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	9.37	8.85
Between 2 and 5 years	29.14	26.76
Beyond 5 years	30.36	25.29
	68.87	**60.90**
Total expected payments	**68.87**	**60.90**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

29. 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	Infinium Automall Private Limited
	Infinium Motors Private Limited
	Infinium Motors (Gujarat) Private Limited
	Infinity Drive Private Limited
	Infinium Communications Private Limited
	O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)
	ING Satcom Limited
	Avenues Enterprises Private Limited
Key Management Personnel ('KMP')	Ajitbhai C. Mehta- Non-executive Director
	Malav A. Mehta- Non-executive Director
	Vishal A. Mehta- Executive Director
	Roopkishan Sohanlal Dave - Non-executive Director
	Keyoor Madhusudan Bakshi - Non-executive Director
	Vijaylaxmi Tulsidas Sheth - Non-executive Director
	Vishwas Ambalal Patel- Non-executive Director (with effect from February 14, 2018)
	Piyushkumar Sinha - Non-executive Director (with effect from February 14, 2018)
	Hiren Padhya- Chief Financial Officer
	Shyamal Trivedi- Company Seceratry
Relatives of KMP	Jayshree Ajit Mehta
	Nirali Vishal Mehta
	Anoli Malav Mehta
	Varini Vishwas Patel
	Vivek Vishwas Patel
	Kalpesh Ambalal Patel
Associate Company	Avenues Payments Private Limited
	Instant Global Paytech Private Limited (with effect from January 03, 2019)
	NSI Infinium Global Private Limited (with effect from March 1, 2019)
	Infibeam Global EMEA FZ LLC (with effect from March 22, 2019)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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					
Chief Financial Officer (CFO)	31-Mar-19	0.05	-	-	0.05
	31-Mar-18	-	-	-	-
Company Secretary (CS)	31-Mar-19	0.02	-	-	0.02
	31-Mar-18	0.01	-	-	0.01
Salaries and ESOP to executive officers - CFO and CS	31-Mar-19	16.78	-	-	16.78
	31-Mar-18	10.65			10.65
Vishwas Patel (Executive Director)	31-Mar-19	-	-	-	-
	31/Mar/18	0.30	-	-	0.30
Varini Vishwas Patel	31-Mar-19	-	-	-	-
	31/Mar/18	0.19	-	-	0.19
Investment in equity shares					
Instant Global Paytech Private Limited	31-Mar-19	-	-	60.00	60.00
	31/Mar/18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	907.74	907.74
	31/Mar/18	-	-	-	-
Buyback of equity shares					
Avenues Payments India Private Limited	31-Mar-19	-	-	0.02	0.02
	31/Mar/18	-	-	-	-
Investment in preference shares					
Avenues Payments Private Limited	31-Mar-19	-	-	-	-
	31/Mar/18	-	-	30.00	30.00
Rent deposit received					
Instant Global Paytech Private Limited	31-Mar-19	-	-	0.10	0.10
	31/Mar/18	-	-	-	-
Rent Expense					
Vishwas Patel (Executive Director)	31-Mar-19	3.00	-	-	3.00
	31/Mar/18	3.00	-	-	3.00
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-19	-	2.82	0.30	3.12
	31/Mar/18	-	0.64	-	0.64
Rent Income					
Instant Global Paytech Private Limited	31-Mar-19	-	-	0.25	0.25
	31/Mar/18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	0.30	0.30
	31-Mar-18	-	-	-	-
ESOP cost recovered					
NSI Infinium Global Private Limited	31-Mar-19	-	-	0.16	0.16
	31-Mar-18	-	-	-	-
Interest Paid on Security Deposit Taken					
NSI Infinium Global Private Limited	31-Mar-19	-	-	0.24	0.24
	31-Mar-18	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Director sitting fees to non-executive and independent directors	31-Mar-19	1.32	-	-	1.32
	31-Mar-18	0.87	-	-	0.87
Sale of services / goods					
Infinium Motors Private Limited	31-Mar-19	-	4.16	-	4.16
	31-Mar-18	-	12.38	-	12.38
ING Satcom Ltd	31-Mar-19	-	-	-	-
	31-Mar-18	-	36.28	-	36.28
Vishal Mehta	31-Mar-19	0.01	-	-	0.01
	31-Mar-18	0.96	-	-	0.96
Malav Mehta	31-Mar-19	-	-	-	-
	31-Mar-18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	1.54	1.54
	31-Mar-18	-	-	-	-
Receipt of services / goods					
ING Satcom Ltd	31-Mar-19	-	-	-	-
	31-Mar-18	-	154.56	-	154.56
Infinium Motors Private Limited	31-Mar-19	-	0.08	-	0.08
	31-Mar-18	-	0.03	-	0.03
Reimbursement of expenses to (amount payable)					
NSI Infinium Global Private Limited	31-Mar-19	-	-	4.55	4.55
	31-Mar-18	-	-	-	-
Avenues Enterprises Pvt Ltd	31-Mar-19	-	0.01	-	0.01
	31-Mar-18	-	-	-	-
Reimbursement of expenses from (amount receivable)					
NSI Infinium Global Private Limited	31-Mar-19	-	-	0.13	0.13
	31-Mar-18	-	-	-	-
Avenues Enterprises Pvt Ltd	31-Mar-19	-	-	-	-
	31-Mar-18	-	0.01	-	0.01
Purrchase of Fixed Assets					
Infinium Motors Private Limited	31-Mar-19	-	63.91	-	63.91
	31-Mar-18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	256.28	256.28
	31-Mar-18	-	-	-	-
Loan and advances taken					
ING Satcom	31-Mar-19	-	290.00	-	290.00
	31-Mar-18	-	-	-	-
Infinium Communication Pvt Ltd	31-Mar-19	-	2.00	-	2.00
	31-Mar-18	-	-	-	-
Infinium Motors Private Limited	31-Mar-19	-	5.01	-	5.01
	31-Mar-18	-	0.20	-	0.20
Loan taken					
Malav A. Mehta	31-Mar-19	-	-	-	-
	31-Mar-18	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Vishwas Ambalal Patel	31-Mar-19	-	-	-	-
	31-Mar-18	*-	-	-	*-
NSI Infinium Global Private Limited	31-Mar-19	-	-	6.04	6.04
	31-Mar-18	-	-	-	-
Repayment of loan and advances taken					
Infinium Motors Private Limited	31-Mar-19	-	1.30	-	1.30
	31-Mar-18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	9.50	9.50
	31-Mar-18	-	-	-	-
Loan given					
Chief Financial Officer (CFO)	31-Mar-19	0.90	-	-	0.90
	31-Mar-18	0.50	-	-	0.50
Repayment of Loan given					
Chief Financial Officer	31-Mar-19	0.69	-	-	0.69
	31-Mar-18	-	0.41	-	0.41
Advance to supplier given					
Infinium Motors Private Limited	31-Mar-19	-	0.46	-	0.46
	31-Mar-18	-	-	-	-
ING Satcom	31-Mar-19	-	858.00	-	858.00
	31-Mar-18	-	-	-	-
Dividend paid					
Vishal Ajit Mehta	31-Mar-19	6.00	-	-	6.00
	31-Mar-18	6.00	-	-	6.00
Malav Ajit Mehta	31-Mar-19	1.70	-	-	1.70
	31-Mar-18	1.70	-	-	1.70
Ajit C. Mehta	31-Mar-19	3.01	-	-	3.01
	31-Mar-18	3.01	-	-	3.01
Vishwas Ambalal Patel	31-Mar-19	7.66	-	-	7.66
	31-Mar-18	-	-	-	-
Relatives of KMP	31-Mar-19	8.94	-	-	8.94
	31-Mar-18	4.61	-	-	4.61
Chief Financial officer (CFO)	31-Mar-19	0.01	-	-	0.01
	31-Mar-18	*-	-	-	*-
Company secretary (CS)	31-Mar-19	*-	-	-	*-
	31-Mar-18	*-	-	-	*-
Infinium Motors Private Limited	31-Mar-19	-	5.30	-	5.30
	31-Mar-18	-	5.30	-	5.30
Infinium Automall Private Limited	31-Mar-19	-	1.46	-	1.46
	31-Mar-18	-	1.46	-	1.46
Infinium Communications Private Limited	31-Mar-19	-	1.05	-	1.05
	31-Mar-18	-	1.05	-	1.05
Infinity Drive Private Limited	31-Mar-19	-	0.80	-	0.80
	31-Mar-18	-	0.80	-	0.80
Infinium Motors (Gujarat) Private Limited	31-Mar-19	-	0.48	-	0.48
	31-Mar-18	-	0.45	-	0.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-19	-	0.31	-	0.31
	31-Mar-18	-	0.16	-	0.16
Interest on Loan					
Malav Mehta	31-Mar-19	0.07	-	-	0.07
	31-Mar-18	0.06	-	-	0.06
Vishwas Ambalal Patel	31-Mar-19	0.07	-	-	0.07
	31-Mar-18	0.06	-	-	0.06
Balance outstanding					
Trade receivable					
Infinium Motors Private Limited	31-Mar-19	-	0.47	-	0.47
	31-Mar-18	-	3.25	-	3.25
NSI Infinium Global Private Limited	31-Mar-19	-	-	1.96	1.96
	31-Mar-18	-	-	-	-
Trade Payable					
ING Satcom	31-Mar-19	-	-	-	-
	31-Mar-18	-	41.43	-	41.43
NSI Infinium Global Private Limited	31-Mar-19	-	-	0.15	0.15
	31-Mar-18	-	-	-	-
Unbilled Revenue					
NSI Infinium Global Private Limited	31-Mar-19	-	-	1.15	1.15
	31-Mar-18	-	-	-	-
Creditor for Capital Goods					
NSI Infinium Global Private Limited	31-Mar-19	-	-	41.69	41.69
	31-Mar-18	-	-	-	-
Other financial liabilities					
Infinium Motors private limited	31-Mar-19	-	-	-	-
	31-Mar-18	-	0.78	-	0.78
Reimbursement of expenses to (amount payable)					
NSI Infinium Global Private Limited	31-Mar-19	-	-	81.43	81.43
	31-Mar-18	-	-	-	-
Loans and advances payable					
Infinium Motors private limited	31-Mar-19	-	-	-	-
	31-Mar-18	-	0.80	-	0.80
NSI Infinium Global Private Limited	31-Mar-19	-	-	18.21	18.21
	31-Mar-18	-	-	-	-
Malav Mehta	31-Mar-19	0.81	-	-	0.81
	31-Mar-18	32.65	-	-	32.65
Vishwas Ambalal Patel	31-Mar-19	0.81	-	-	0.81
	31-Mar-18	0.75	-	-	0.75
Loans and advances given					
ING Satcom	31-Mar-19	-	-	-	-
	31-Mar-18	-	-	-	-

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for the year ended March 31, 2019

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Chief Financial Officer	31-Mar-19	0.30	-	-	0.30
	31-Mar-18	0.09	-	-	0.09
Payable for settlement of payment gateway transactions					
Instant Global Paytech Private Limited	31-Mar-19	-	-	5.70	5.70
	31-Mar-18	-	-	-	-
Rent Payable					
Vishwas Ambalal Patel	31-Mar-19	0.18	-	-	0.18
	31-Mar-18	-	-	-	-
Other payables					
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-19	-	3.95	-	3.95
	31-Mar-18	-	0.58	-	0.58
Security deposit					
Vishwas Ambalal Patel	31-Mar-19	0.75	-	-	0.75
	31-Mar-18	0.75	-	-	0.75
Investment (in Equity shares)					
Instant Global Paytech Private Limited	31-Mar-19	-	-	60.00	60.00
	31-Mar-18	-	-	-	-
Infibeam Global EMEA FZ LLC	31-Mar-19	-	-	675.86	675.86
	31-Mar-18	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-19	-	-	907.88	907.88
	31-Mar-18	-	-	-	-
Avenue Payment India Private Limited	31-Mar-19	-	-	214.03	214.03
	31-Mar-18	-	-	224.80	224.80
Investment (in Preference shares)					
Avenue Payment India Private Limited	31-Mar-19	-	-	30.00	30.00
	31-Mar-18	-	-	30.00	30.00

* Represents amount less than one million

Terms and conditions of transactions with related parties

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

30. Earning per share

Particulars	2018-19	2017-18
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders (` in million)	1,270.26	882.24
Total no. of equity shares at the end of the year	663,392,240	542,783,390
Weighted average number of equity shares		
For basic EPS	666,116,275	661,517,224
For diluted EPS	671,170,501	665,449,881
Nominal value of equity shares	1.00	1.00
Basic earning per share (in `)	1.91	1.33
Diluted earning per share (in `)	1.89	1.33
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	666,116,275	661,517,224
Effect of dilution: Employee stock options	5,054,226	3,932,657
Weighted average number of equity shares adjusted for the effect of dilution	671,170,501	665,449,881

31. 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, 2019 has been made in the financial statements based on information received and available with the Company.

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
The principle amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	5.78	-
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.

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32. 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 17 February 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on 30 March 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 by physical delivery of shares. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ` 1 which is 93% to 99% below the market price at the date of grant, i.e., 1 April 2013 and 1 April 2014, 1 April 2018 and 25 October 2018.

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 27 February 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on 31 March 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 by physical delivery of shares. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ` 1 which is 93% to 99% below the market price at the date of grant, i.e., 1 April 2014, 1 April 2015, 1 April 2016, 1 October 2014, 1 October 2015, 1 October 2016, 1 April 2018 and 25 October 2018.

Scheme	ESOP Scheme 2013-14		ESOP Scheme 2014-15	
Date of grant	April 1, 2018	October 25, 2018	April 1, 2018	October 25, 2018
Number of options granted	208,000	138,211	110,750	1,710,610
Exercise price per option (in `)	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.
Exercise period	1 years - 5 years	1 years - 5 years	1 years - 5 years	1 years - 5 years
Method of settlement	Physical delivery of shares	Physical delivery of shares	Physical delivery of shares	Physical delivery of shares

The following table sets forth a summary of the activity of options:

Particulars	2018-19		2017-18	
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 13-14	ESOP Scheme 14-15
Options				
Outstanding at the beginning of the period	250,000	3,766,850	541,000	6,627,850
Granted during the period	346,211	1,821,360	-	703,450
Exercised during the period	(200,000)	(548,850)	(291,000)	(3,553,190)
lapse during the period	(250,000)	(7,500)	-	(11,260)
Outstanding at the end of the period	146,211	5,031,860	250,000	3,766,850
Exercisable at the end of the period	146,211	5,031,860	250,000	3,766,850

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	2018-19	2017-18
Employee stock option plan	68.92	44.41
Total employee share based payment expense	**68.92**	**44.41**

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.

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Particulars	2018-19		2017-18
Option grant date	April 1, 2018	October 25, 2018	
Weighted average share price	148.50	30.80	95.60
Exercise price (in `)	1.00	1.00	1.00
Expected volatility	44%	96%	44%
Expected life (years)	5 years	5 years	1 year
Dividend yield	0	0	0
Risk-free interest rate (%)	7.40%	7.87%	6.96%
Fair market value share	147.81	30.22	98.44

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/- 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	SAR Price Indian Rupees
Grant I	February 14, 2019	2,796,311	141

Movement in options:

Particulars	SAR Scheme 2017 As at March 31, 2019
SAR Scheme 2017	
Outstanding at the beginning of the period	-
Granted during the period	2,796,311
Exercised during the period	-
Lapse during the period	(520,000)
Outstanding at the end of the period	**2,276,311**
Exercisable at the end of the period	2,276,311

33. Segment reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments and evaluation by the Chief Operating Decision Marker, primary reportable segments of the Group consists of: Ecommerce - sale of products and Ecommerce- Sale of software and ecommerce related ancillary services. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

Segment assets include all operating assets used by a segment and principally consists of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two segments is allocated to the segments on a reasonable basis.

Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities.

Segment assets and liabilities do not include those relating to income taxes. There are certain assets which are used interchangeably between the segments by the Group's businesses, the same have not been fully identified to any of the reportable segments, and accordingly such assets are disclosed as 'unallocated'.

Segment expense comprises the expense resulting from the operating activities of a segment that is directly attributable to the segment or that can be allocated on a reasonable basis to the segment and expense relating to transactions with other segments. Certain expenses interchangabley for both segments where there is no basis maintained by the group for allocation are included under unallowable corporate expenses as looked by CODM.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

The Group therefore believes that it is not practicable to provide segment disclosures relating to such expenses, and accordingly such expenses are separately disclosed as 'unallocated' and directly charged against total income.

Primary Segment:

(` in million)

Particulars	March 31, 2019	March 31, 2018
Revenue		
Total Revenue		
Ecommerce - sale of products	2,026.08	2,979.56
Ecommerce- Sale of software and related ancillary services	9,564.61	5,413.62
External revenue		
Ecommerce - sale of products	2,026.08	2,979.56
Ecommerce- Sale of software and related ancillary services	9,564.61	5,413.62
Total revenue	**11,590.69**	**8,393.18**
Segment result		
Ecommerce - sale of products	(136.94)	(106.38)
Ecommerce- Sale of software and related ancillary services	1,793.79	1,584.31
Unallocated corporate expenses (net unallocated income)	123.72	407.49
Operating profit	1,533.13	1,070.44
Interest expense	66.53	58.14
Interest income	68.11	139.67
Profit / (loss) before tax	**1,534.71**	**1,151.97**
Income taxes	271.47	270.53
Profit / (loss) after tax	**1,263.24**	**881.44**

Other Information:

(` in million)

Particulars	March 31, 2019	March 31, 2018
Segment assets		
Ecommerce - sale of products	-	862.63
Ecommerce- Sale of software and related ancillary services	21,969.03	22,245.13
Unallocated corporate assets	9,774.51	6,580.37
Total assets	**31,743.54**	**29,688.13**
Segment liabilities		
Ecommerce - sale of products	-	368.09
Ecommerce- Sale of software and related ancillary services	3,399.42	2,078.76
Unallocated corporate liabilities	974.39	979.05
Total liabilities	**4,373.81**	**3,425.90**
Capital expenditure		
Ecommerce - sale of products	0.25	0.61
Ecommerce- Sale of software and related ancillary services	1,307.16	557.04
Unallocated	212.94	1,566.76
Depreciation		
Ecommerce - sale of products	35.38	42.18
Ecommerce- Sale of software and related ancillary services	587.33	452.26
Unallocated	199.36	169.90
Non cash expenses other than depreciation		
Ecommerce - sale of products	20.91	32.76
Ecommerce- Sale of software and related ancillary services	127.19	152.55
Unallocated	30.51	9.39

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for the year ended March 31, 2019

C. Geographical information:

Geographical segments for the Group 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 purposes, the Group operates in three principal geographical areas of the world, in India, UAE and the other countries.

(` in million)

Particulars	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31-03-2019	7,344.81	3,763.82	482.06	11,590.69
	31-03-2018	5,816.61	2,124.50	452.07	8,393.18
Carrying amount of segment non current assets*	31-03-2019	22,127.75	107.63	-	22,235.38
	31-03-2018	22,392.45	800.91	-	23,193.36

* The carrying amount of Non Current Assets, which do not include Deferred Tax assets, Income Tax Assets and Financial Assets analysed by the Geographical area in which the Assets are located.

34. Operating Lease

The Group has taken number of warehouses and offices under operating leases. The warehouse and office leases typically run for a period of 1 to 6 years. These leasing arrangements are cancellable, and are renewable on a periodic basis by mutual consent on mutually accepted terms including escalation of lease rent. Total expense incurred under the cancellable operating lease agreement recognized as an expense in the Statement of Profit and Loss during the period is ` 37.96 million (March 31, 2018: ` 49.07 million)

35. 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 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 for fair value measurement hierarchy for assets and liabilities:

(` in million)

As at March 31, 2019

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	-	15.79	-	15.79	-	15.79	-	15.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	93.53	-	-	93.53	-	93.53	-	93.53
	93.53	**15.79**	**-**	**109.32**	**-**	**109.32**	**-**	**109.32**
Financial liabilities								
Long term borrowing	265.33			265.33		265.33		265.33
	265.33	**-**	**-**	**265.33**	**-**	**265.33**	**-**	**265.33**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(` in million)

As at March 31, 2018

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		15.79	-	15.79	-	15.79	-	15.79
Current investment	-	-	2.10	2.10	2.10	-	-	2.10
Other Non-current financial asset*	234.52	-	-	234.52	-	234.52	-	234.52
	234.52	**15.79**	**2.10**	**252.41**	**2.10**	**250.31**	**-**	**252.41**
Financial liabilities								
Long term borrowing	353.10			353.10		353.10		353.10
	353.10	**-**	**-**	**353.10**	**-**	**353.10**	**-**	**353.10**

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)

Particulars	FY 2018-19	FY 2017-18
Opening Balance on April 1,	2.10	-
Net change in fair value (unrealised)		-
Purchases	1,352.50	525.81
Sales	(1,354.60)	(523.71)
Closing Balance on March 31,	**-**	**2.10**

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

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for the year ended March 31, 2019

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 analyse 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.

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, 2019, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

(` in million)

Particulars	Carrying amount As at March 31, 2019	Carrying amount As at March 31, 2018
Domestic	0.72	458.39
Other regions	243.73	648.57
	244.45	**1,106.96**

Impairment

At March 31, 2019, the ageing of trade and other receivables that were not impaired was as follows.

(` in million)

Particulars	Carrying amount: As at March 31, 2019		As at March 31, 2018	
	Upto 0-180 days	More than 180 days	Upto 0-180 days	More than 180 days
Gross	200.73	85.31	1,008.86	135.80
Less: Allowance	(7.89)	(33.70)	-	(37.70)
Net	192.84	51.61	1,008.86	98.10

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, 2019 and March 31, 2018

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for the year ended March 31, 2019

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 summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(` in million)

Particulars	On demand	Less than 1 year	more than 1 year
Year ended March 31, 2019			
Interest bearing borrowings*		87.90	263.70
Trade payables		183.96	-
Other financial liabilities		349.57	-
	-	**621.43**	**263.70**
Year ended March 31, 2018			
Interest bearing borrowings*		284.35	351.60
Trade payables		251.82	-
Other financial liabilities		179.46	-
	-	**715.63**	**351.60**

* 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, GBP, AED, Euro and SAR. 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, GBP, AED, Euro and SAR 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)

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2019	+5%	18.63
	-5%	(18.63)
March 31, 2018	+5%	44.09
	-5%	(44.09)

	Change in AED rate	Effect on profit before tax
March 31, 2019	+5%	0.47
	-5%	(0.47)
March 31, 2018	+5%	0.94
	-5%	(0.94)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

(` in million)

	Change in Euro rate	Effect on profit before tax
March 31, 2019	+5%	-
	-5%	-
March 31, 2018	+5%	(1.41)
	-5%	1.41

	Change in SAR rate	Effect on profit before tax
March 31, 2019	+5%	0.69
	-5%	(0.69)
March 31, 2018	+5%	0.48
	-5%	(0.48)

	Change in GBP rate	Effect on profit before tax
March 31, 2019	+5%	(0.06)
	-5%	0.06
March 31, 2018	+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 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.

36. 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 maximise 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, 2019	Year ended March 31, 2018
Interest-bearing loans and borrowings (Note 13)	351.60	635.95
Less: cash and cash equivalent and other bank balance (Note 7)	(1,327.92)	(1,829.62)
Net debt	**(976.32)**	**(1,193.67)**
Equity share capital (Note 11)	663.39	542.78
Other equity (Note 12)	26,713.05	25,715.90
Total capital	**27,376.44**	**26,258.68**
Capital and net debt	**26,400.12**	**25,065.01**
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, 2019, March 31, 2018.

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37 (a) : Amalgamation with Avenues (India) Private Limited

Based on the definitive Memorandum of Understanding (MoU), the holding company obtained operational and financial control in Avenues (India) Private Limited (Avenues) as well as board control with effect from April 1, 2017. Further, in the Board meeting held on July 13, 2017, the Board of directors approved the scheme of amalgamation of Avenues with the holding company. Subsequent to the year end, on May 9, 2018, the holding Company has received approval to aforesaid scheme of amalgamation from National Company Law Tribunal ("NCLT") with appointed date of April 1, 2017, which the holding company filed with Registrar of Companies (RoC) on May 10,2018. In accordance with Ind AS 103 "Business Combinations", the holding Company has given effect of amalgamation with Avenues with the appointed date i.e. April 1, 2017.

In accordance with the provisions of the aforesaid scheme -

The approved share swap ratio is that for 100 equity share of Avenues (India) Private Limited (AIPL) of the face value of ` 10 each fully paid up held by the shareholders on the Record date shall be allotted 2600 equity shares of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) of the face value of ` 1 each fully paid up.

The shares have been allotted subsequent to the March 31, 2018, the same has been disclosed as Shares issued as per Scheme of Amalgamation till the date of allotment i.e. May 30, 2018 under other equity.

In accordance with the scheme, the amalgamation has been accounted under the acquisition method as prescribed by Ind AS 103 “Business Combinations”.

Accordingly, the accounting treatment has been given as under: -

(i) The assets and liabilities of Avenues as at April 1, 2017 had been incorporated at their fair values in the financial statements of the Company.

(ii) The existing investments in Avenues as at April 1, 2017 had been fair valued on account of acquisition as prescribed by Ind AS 103 (step up acquisition).

(iii) All inter-corporate balances (including investments held by the Company in Avenues, deposits, loans and advances, outstanding balances) between the Company and Avenues stands cancelled.

The excess of value of equity shares over the fair value of assets and liabilities transferred and cancellation of Investments in Avenues held by the Company amounting to ` 18,645.18 million has been recorded as follows after considering the impact of identified and unrecorded intangible assets (net of deferred tax) as prescribed by Ind AS 103:

Particulars	(` in million)
Identified and unrecorded intangible asset	
Trademark	597.80
Software	360.10
Customer relationship	1,563.10
Goodwill	**16,124.18**
Total	**18,645.18**

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Avenues India Private Limited as at the date of acquisition were as follows.

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for the year ended March 31, 2019

Particulars	(` in million)
Assets	
Property, plant and equipment	111.95
Intangible assets	19.63
Investments*	240.59
Other non current financial assets	5.52
Income tax assets (net)	1.52
Trade receivables	74.89
Cash and cash equivalents	358.27
Other bank balance	777.18
Loans	19.28
Other financial assets	156.45
Other current assets	43.22
Receivable for settlement of transaction - Nodal bank	691.85
Liabilities	
Long term Provisions - Gratuity	(14.50)
Deferred tax liabilities (net)	(3.34)
Deferred tax liabilities (net) - fair valuation impact	(25.92)
Payable for settlement of transaction - Nodal bank	(1,071.44)
Other financial liabilities	(18.94)
Other current liabilities	(8.55)
Short Term Provisions- Gratuity	(3.46)
Provision for Tax (Net)	(14.84)
Total identifiable net assets at fair value	**1,339.36**
Unidentified intangible asset	
Trademark	597.80
Software	360.10
Customer relationship	1,563.10
Goodwill**	16,124.18
Total Purchase consideration	**19,984.54**

Breakup of purchase consideration

Particulars	(` in million)
Cancellation of existing investment at fair value	2,269.23
Shares required to be issued as per Scheme of Amalgamation @ ` 147.80 / equity share	17,715.31
Total purchase consideration	**19,984.54**

*The Company had acquired following investment on amalgamation with Avenues

(1) Avenues Infinite Private Limited - 10,00,200 equity shares at fair value of ` Nil

(2) Avenues Payments Private Limited - 36,541 equity shares at fair value of ` 224.80 million

(3) JRI Technologies Private Limited - 220,625 equity shares at fair value of ` 15.79 million

**The goodwill comprises the value of expected synergies arising from the amalgamation. Due to the contractual terms and nature of industry, the customer contract is not separately valued. Goodwill recognised on amalgamation is not expected to be deductible for provision for income tax purposes.

37 (b) : Acquisition of subsidiary DRC Systems Private Limited

On 1st April, 2017, Group had acquired operational & financial control of DRC Systems Private Limited through it's erstwhile wholly owned subsidiary NSI Infinium Global Private Limited. Accordingly, the assets and liabilities of DRC Systems as at 1 April 2017 had been incorporated at their fair values in the financial statements of the Company.

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The excess of value of equity shares over the fair value of assets and liabilities amounting to ` 19.78 million had been recorded as follows after considering the impact of identified and unrecorded intangible assets (net of deferred tax) as prescribed by Ind AS 103:

Particulars	(` in million)
Identified and unrecorded intangible asset	
Non Compete Agreement	1.15
Customer Contracts	0.17
Customer relationship	3.72
Total	**5.04**

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of DRC Systems Private Limited as at the date of acquisition were as follows.

Particulars	(` in million)
Assets :	
Property, plant and equipment	7.82
Intangible assets	0.47
Non-current investments	-
Other financial assets	2.48
Deferred tax assets	0.43
Trade receivables	17.58
Cash and cash equivalents	1.03
Other current assets	304.68
Liabilities:	
Other non current financial liabilities	(300.00)
Trade payables	(2.94)
Other current liabilities	(0.02)
Other financial liabilities	(7.78)
Short-term provisions	(3.72)
Total identifiable net assets at fair value	**20.04**
Unidentified intangible asset	
Customer relationships	1.90
Customer contracts	0.09
Non-compete agreement	0.58
Goodwill	17.21
Share of non controlling interests	(9.82)
Total Purchase consideration	**30.00**

38. Nodal balance

The holding company maintains nodal account with ICICI 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

39. 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 March 31, 2019 were as follows:

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Corpus Fund	-	-
Borrowing	398.00	280.00
Current liabilities and provision	43.67	7.83
Cash and cash equivalents	0.02	0.83
Non current investments	396.06	278.71
Net asset / (liability)	**(45.59)**	**(8.29)**

(ii) Impact on the Company's profit and loss post IEW Trust consolidation for the year March 31, 2019

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Income		
Dividend on equity	0.23	0.17
Expenses	-	-
Administrative expese	1.01	0.22
Interest expense	36.51	8.25
Impact on profit before tax	**(37.29)**	**(8.30)**

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended March 31, 2019

(` in million)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cash and cash equivalents April 1,	0.83	-
Cash flow from operating activities	34.82	7.61
Cash flow from investing activities	(117.12)	(278.54)
Cash flow from financing activities	81.49	271.76
Cash and cash equivalents March 31,	**0.02**	**0.83**

Other items adjusted owing to the Trust consolidation include :

(a) Treasury shares

Upon consolidation, the investment in the holding Company's equity shares made by IEW Trust is debited to the holding Company's equity as treasury shares amounting to ` 396.06 million as at March 31, 2019 (previous year: ` 278.71 million).

(b) Dividend Income

The dividend income of the Trust is debited to the holding Company's retained earning amounting to ` 0.23 million as at March 31, 2019 (previous year: ` 0.17 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 ` 398.00 million as at March 31, 2019 (previous year: ` 280.00 million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ` 36.51 million (previous year: ` 8.25 million)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

40. During the year ended March 31, 2016, the holding Company raised funds through an Initial Public Offering (IPO) for the purpose of setting up of cloud data centre, purchase of property for shifting and setting up of its registered and corporate office, setting up of 75 logistic centres, purchase of software and general corporate purposes. Pursuant to this, the holding Company issued 10,416,666 equity shares of ` 10 each at an issue price of ` 432 per equity share. The proceeds from IPO is ` 4,499.99 million. The net proceeds from IPO after incurring expenses (such as merchant bankers fees, underwriting fees, selling commission, legal counsel fees, registrar to the issue, brokerage and selling commission, printing and stationary expenses, advertising and marketing expenses and other incidental expenses amounted to ` 338.30 million) was ` 4,161.7 million. Of the total IPO expenses, expenses aggregating to ` 312.78 million have been adjusted towards the securities premium account. Further IPO expenses aggregating to ` 25.51 million have been charged to the Statement of Profit and Loss. Summary of utilised amount and unutilised amount is stated below:

(` in million)

Objects of the issue as per the prospectus	Net Proceeds from IPO	Amount utilised up to March 31, 2019 in the books of holding company	Unutilised amount as on March 31, 2019 in the books of holding company
Setting up of cloud data centre and purchase of property for shifting of the registered and corporate offices of Company	2,352.00	2,100.50	251.50
Setting up of 75 logistics centres	375.00	375.00	-
Purchase of software	670.00	670.00	-
General corporate purposes	764.70	764.70	-
Total	**4,161.70**	**3,910.20**	**251.50**

The unutilised amount is temporariry lying in the following:

(` in million)

Particulars	As at March 31, 2019	As at March 31, 2018
- In fixed deposits	-	386.90
- In current account with bank	251.50	515.60
Total	**251.50**	**902.50**

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, 2018 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

42. 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)	95.13%	26,036.82	33.30%	420.70	-0.34%	(4.27)	32.97%	416.43
Subsidiary								
Indian								
1. NSI Infinium Global Private Limited (up to February 28, 2019)	0.00%	-	-0.02%	(0.31)	0.30%	3.81	0.28%	3.50
2. Infibeam Digital Entertainment Private Limited	-0.27%	(73.79)	-1.58%	(20.00)	0.00%	-	-1.58%	(20.00)
3. Infinium India Limited (up to January 23, 2019)	0.00%	-	0.03%	0.35	0.00%	-	0.03%	0.35
4. Odigma Consultancy Solutions Private Limited	-0.06%	(17.55)	-1.07%	(13.46)	0.00%	(0.06)	-1.07%	(13.52)
5. Infibeam Logistics Private Limited	1.13%	308.33	-3.80%	(48.04)	0.06%	0.82	-3.74%	(47.22)
6. Sine Qua Non Solutions Private Limited (up to February 28, 2019)	0.00%	-	0.03%	0.36	0.00%	-	0.03%	0.36
7. DRC Systems India Private Limited	0.09%	23.34	0.00%	-	0.04%	0.47	0.04%	0.47
8. Avenues Infinite Private Limited	-0.01%	(1.77)	-0.01%	(0.07)	0.00%	-	-0.01%	(0.07)
Foreign								
1. Infibeam Global EMEA FZ LLC (up to March 21, 2019)	0.00%	-	32.53%	410.90	0.00%	-	32.53%	410.90
2. Rich Relevants Limited (up to March 21, 2019)	0.00%	-	21.25%	268.49	0.00%	-	21.25%	268.49
3. Vavian International Limited (From July 1, 2018)	0.22%	60.20	-2.08%	(26.31)	0.00%	-	-2.08%	(26.31)
4. Avenues World FZ LLC (From July 1, 2018)	-0.01%	(2.99)	1.04%	13.18	0.00%	-	1.04%	13.18
Associates								
1. Avenues Payments India Private Limited	0.00%	-	-0.46%	(5.75)	0.00%	-	-0.46%	(5.75)
2. Instant Global Paytech Private Limited (From January 03, 2019)	0.00%	-	-0.23%	(2.93)	0.00%	-	-0.23%	(2.93)
3. NSI Infinium Global Private Limited (From March 1, 2019)	0.00%	-	-1.62%	(20.43)	0.00%	-	-1.62%	(20.43)
4. Sine Qua Non Solutions Private Limited (From March 1, 2019)	0.00%	-	-0.01%	(0.17)	0.00%	-	-0.01%	(0.17)
5. Infibeam Global EMEA FZ LLC (From March 22, 2019)	0.00%	-	3.14%	39.67	0.00%	-	3.14%	39.67
6. Rich Relevants Limited (From March 22, 2019)	0.00%	-	5.22%	65.93	0.00%	-	5.22%	65.93
Non-Controlling interest in subsidiary	-0.02%	(6.72)	-0.56%	(7.02)	0.05%	0.65	-0.50%	(6.37)
Consolidation adjustment / eliminations	3.81%	1,043.85	14.89%	188.15	0.00%	-	14.89%	188.15
Total	**100%**	**27,369.72**	**100%**	**1,263.24**	**0%**	**1.42**	**100%**	**1,264.66**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

43. Investment in Associate

The following table depicts the summarised financial information of the Group's investment in associates.

(` in million)

	Avenues Payments India Private Limited		Instant Global Paytech Private Limited		Infibeam Global EMEA FZ LLC		Rich Relevants Limited		NSI Infinium Global Private Limited		Sine Qua Non Solutions Private Limited		Total	
Summarised Balance Sheet	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Current assets	172.11	144.94	59.19	-	2,191.74	-	1,104.11	-	603.06	-	0.62	-	4,130.83	144.94
Non current assets	78.30	27.79	4.24	-	641.62	-	-	-	684.11	-	0.02	-	1,408.29	27.79
Current liabilities	6.95	3.43	22.29	-	315.84	-	755.95	-	298.97	-	20.39	-	1,420.39	3.43
Non current liabilities	2.46	1.43	0.63	-	-	-	-	-	4.80	-	-	-	7.89	1.43
Equity	**241.00**	**167.87**	**40.51**	**-**	**2,517.52**	**-**	**348.16**	**-**	**983.40**	**-**	**(19.75)**	**-**	**4,110.84**	**167.87**
Proportion of the Group's ownership	22.69%	24.74%	48.00%		100.00%		100.00%		93.59%		93.59%			
Carrying amount of investment	**54.68**	**41.53**	**19.44**	**-**	**2,517.52**	**-**	**348.16**	**-**	**920.34**	**-**	**(18.48)**	**-**	**3,841.67**	**41.53**
Summarised statement of profit and loss	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue	56.64	16.73	20.89	-	91.80	-	150.35	-	355.33	-	2.80	-	677.81	16.73
Cost of Sale	-	-	16.49	-	-	-	-	-	-	-	-	-	16.49	-
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	328.29	-	2.80	-	331.09	-
Changes in inventories of stock-in -trade	-	-	-	-	-	-	-	-	8.14	-	-	-	8.14	-
Employee benefits expense	47.00	25.67	9.70	-	0.44	-	-	-	3.37	-	0.14	-	60.65	25.67
Finance cost	-	0.15	0.16	-	-	-	-	-	0.24	-	0.01	-	0.41	0.15
Depreciation	5.03	1.78	0.09	-	5.60	-	-	-	15.89	-	-	-	26.61	1.78
Other expenses	30.21	16.93	0.65	-	46.09	-	84.43	-	26.82	-	0.06	-	188.26	16.93
Profit / (Loss) before tax	**(25.60)**	**(27.80)**	**(6.20)**	**-**	**39.67**	**-**	**65.92**	**-**	**(27.42)**	**-**	**(0.21)**	**-**	**46.16**	**(27.80)**
Tax Adjustment of earlier years (credit)	-	-	-	-	-	-	-	-	(5.14)	-	(0.03)	-	-	-
Profit / (Loss) for the year	**(25.60)**	**(27.80)**	**(6.20)**	**-**	**39.67**	**-**	**65.92**	**-**	**(22.28)**	**-**	**(0.18)**	**-**	**46.16**	**(27.80)**
Other Comprehensive Income / (Loss)	(0.23)	0.07	(0.10)	-	-	-	-	-	(0.45)	-	-	-	(0.78)	0.07
Total comprehensive profit / (loss) for the year	**(25.37)**	**(27.87)**	**(6.10)**	**-**	**39.67**	**-**	**65.92**	**-**	**(21.83)**	**-**	**(0.18)**	**-**	**46.94**	**(27.87)**
Proportion of the Group's ownership	22.69%	24.74%	48.00%		100.00%		100.00%		93.59%		93.59%			
Group's share of profit / (loss) for the year	**(5.76)**	**(6.89)**	**(2.93)**	**-**	**39.67**	**-**	**65.92**	**-**	**(20.43)**	**-**	**(0.17)**	**-**	**76.31**	**(6.89)**
Contingent liabilities and capital commitment														
Contingent liabilities	-	-	-	-	-	-	-	-	1.13	-	-	-	1.13	-
Capital commitment	-	-	-	-	-	-	-	-	85.00	-	-	-	85.00	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

44. Corporate Social Responsibility (CSR) Activities:

a. The Company is required to spend ` 3.45 million (Previous Year ` 1.38 million) on CSR activities.

b. Amount spent during the year on:

(` in million)

	Year ended					
	March 31, 2019			March 31, 2018		
	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) On Purposes other than (i) above	3.45	-	3.45	1.38	-	1.38

45. During the year, Suvidhaa Infoserve Private Limited ("Suvidhaa") acquired 6.41% equity stake in NSI Infinium Global Private Limited ('NSI'), erstwhile wholly owned subsidiary of the Company at cash consideration of ` 387.90 million. NSI entered into a Binding Memorandum of Understanding ('MOU') with Suvidhaa for transfer of Company's holding in NSI at a valuation of ` 5,000 million. The transfer of stake shall be by way of merger, wherein proportionate equity shares of Suvidhaa shall be issued to Infibeam and in the event, the merger is not approved, Suvidhaa will acquire balance 93.59% stake in NSI at agreed valuation of ` 4,612.10 million in the form of equity shares of Suvidhaa. Further, as per the terms of MOU, Suvidhaa has acquired operational, business and financial control over NSI on February 28, 2019. The share holders in the Extra- ordinary General Meeting of Infibeam held on January 12, 2019, have approved 100% dilution in NSI. The investment in this subsidiary has been disclosed separately as 'Assets Held for Sale'.

'During the year, Infibeam Global EMEA FZ LLC ('Global'), erstwhile wholly owned subsidiary of the Company has entered into a MOU with Unipropitia FZCO along with consortium member for fresh investment to the extent of 51% holding in Global, for a consideration of USD 25 million. Accordingly, as per the terms of the MOU and Share Subscription Agreement dated March 21, 2019 company has transfered operational, business, management and financials control and initiated the share allotment procedure of the said erstwhile wholly owned subsidiary company. The investment in this subsidiary has been disclosed separately as 'Assets Held for Sale'.

46. During the year, post approval of the Board of Directors at their meeting dated Janaury 19, 2019, the Company has entered into a MOU with Ingenius E-Commerce Private Limited for divestment of its 100% holding in Infinium (India) Limited erstwhile wholly owned subsidiary, for a consideration of ` 600 million. As per the terms of MoU with Ingenius E-Commerce Private Limited, Company has divested 100% holding in Infinium (India) Limited as on January 23, 2019. The accounting impact of the same has been provided in the books of accounts.

47. 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, 2019 by offerings.

i) Revenue by offerings

(` in million)

Particulars	For the year ended March 31, 2019
Digital Payment and Checkout Web Services	5,736.93
E-Commerce Related Web Services	3,827.68
Ecommerce - sale of products	2,026.08
Total	**11,590.69**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

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.

Ecommerce - sale of products

These primarily include sale of various categories of products through online multi-brand retail trading activity by web portal using B2B and B2C verticals.

ii) Refer note 33 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.

b) Transaction price allocated to remaining performance obligation

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019 is ` 226.82 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, 2019
Balance at the beginning of the year	137.37
Derecognition in view of disinvestment of subsidiaries	(40.70)
Revenue recognised during the year	184.65
Invoices raised during the year	(100.25)
Translation exchange difference	4.20
Reversal of balance at the beginning of the year	(0.60)
Balance at the end of the year	**184.67**

d) Changes in unearned and deferred revenue are as follows:

(` in million)

Particulars	For the year ended March 31, 2019
Balance at the beginning of the year	6.69
Revenue recognised that was included in the excess billing over revenue at the beginning of the year	(5.25)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	225.73
Balance at the end of the year	**227.17**

e) Impact on adoption of Ind AS 115

The Company adopted Ind AS 115 “Revenue from Contracts with Customers” on April 1, 2018 by using the modified retrospective approach and accordingly comparatives for the year ending or ended March 31, 2018 are not retrospectively adjusted. The impact on account of applying Ind AS 115 Revenue from Contract with Customers instead of the erstwhile Ind AS 18 Revenue on the financials results of the Company for year ended as of March 31, 2019 is not material.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2019

48. Company has submitted application to Central Govt for termination of SRBC & Co., LLP as Joint auditor on May 06, 2019. The approval from the office of Regional Director (NWR), Ahmedabad is still awaited post which the format of presenting audited financial results will be changed from signing of joint auditors to a single auditor.

49. 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 30, 2019

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 30, 2019

Ajit Mehta
Director
DIN: 01234707
Gandhinagar
Date: May 30, 2019

Hiren Padhya
Chief Financial Officer
Gandhinagar
Date: May 30, 2019

Shyamal Trivedi
Company Secretary
Gandhinagar
Date: May 30, 2019

INFIBEAM AVENUES

INFIBEAM AVENUES LIMITED

(Formerly known as Infibeam Incorporation Limited)

[CIN: L64203GJ2010PLC061366]

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

Email: ir@ia.ooo **Website:** www.ia.ooo

FORM MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)]

Name of the member (s)	:
Registered Address	:
Email Id	:
Folio No./ DPID-Client ID	:

I/We, being the member (s) of ______________________ Shares of the above named Company, hereby appoint:

1. Name: ______________________ Address: ______________________
   Email Id: ______________________ Signature: ______________________ or failing him
2. Name: ______________________ Address: ______________________
   Email Id: ______________________ Signature: ______________________ or failing him
3. Name: ______________________ Address: ______________________
   Email Id: ______________________ Signature: ______________________ or failing him

as my/ our proxy to attend and vote (on a poll) for me as me/us and on my/ our behalf at the 9th Annual General Meeting of the Company, to be held on Tuesday, July 30, 2019, at 10.30 am. at 23rd Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar – 382 355 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business:	
1	To receive, consider and adopt a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2019, 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, 2019, together with the report of Auditors thereon.
2	Re-Appointment of Mr. Ajit Champaklal Mehta (DIN: 01234707), liable to retire by rotation and being eligible, offers himself for re-appointment
Special Business:	
3	Reappointment of Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) as an Independent Director
4	Reappointment of Mr. Roopkishan Sohanlal Dave (DIN: 02800417) as an Independent Director
5	Reappointment of Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) as an Independent Director
6	To consider removal of M/s. S R B C & Co., LLP as one of the Joint Statutory Auditors of the Company
7	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
8	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
9	Approval pursuant to Section 185 of the Companies Act, 2013

Signed this ______________ day of ______________________ 2019.

Affix Revenue Stamp of ` 1 here

____
Signature of Shareholder

____
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

INFIBEAM AVENUES LIMITED

(Formerly known as Infibeam Incorporation Limited)

[CIN: L64203GJ2010PLC061366]

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

Email: ir@ia.ooo **Website:** www.ia.ooo

ATTENDANCE SLIP

[PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND IT OVER AT THE ENTRANCE DULY FILLED IN]

Folio No./ DPID-Client ID	:
Name of the member (s)	:
Registered Address	:

I hereby record my presence at the **9th Annual General Meeting** of the Company held on Tuesday, July 30, 2019 at 10.30 a.m. at 23rd Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar – 382 355.

Full name of Shareholder/Proxy (in Block Letters)

Signature of Shareholder/Proxy

Form for Updation of Email Address

Date:

To,

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

Dear Sir,

Sub: Updation of email address

Please register my email address for the purpose of sending Annual Report and other Notices/documents in electronic mode:

Name	:
Email Id	:
Folio No. / DP ID - Client ID	:

Signature of the First Named Shareholder

Name:

Address:

INFIBEAM AVENUES

INFIBEAM AVENUES LIMITED

(Formerly known as Infibeam Incorporation Limited)

[CIN: L64203GJ2010PLC061366]

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

Email: ir@ia.ooo **Website:** www.ia.ooo

FORM MGT-12

BALLOT FORM

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)

1	Name and Address of the Sole/First named Shareholder	:
2	Name(s) of the Joint Holder(s) (if any)	:
3	Registered Folio No./ DPID-Client ID	:
4	Number of Shares(s) held	:
5	I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of 9th Annual General Meeting (AGM) of the Company to be held on Tuesday, July 30, 2019, by sending my/our assent or dissent to the said Resolutions by placing the tick (√) mark at the appropriate box below:	

Resolution No.	Resolutions	No. of Shares	(FOR) I/We assent to the resolution	(AGAINST) I/We dissent the resolution
Ordinary Business:				
1	To receive, consider and adopt a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2019, 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, 2019, together with the report of Auditors thereon.			
2	Re-Appointment of Mr. Ajit Champaklal Mehta (DIN: 01234707), liable to retire by rotation and being eligible, offers himself for re-appointment			
Special Business:				
3	Reappointment of Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) as an Independent Director			
4	Reappointment of Mr. Roopkishan Sohanlal Dave (DIN: 02800417) as an Independent Director			
5	Reappointment of Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) as an Independent Director			
6	To consider removal of M/s. S R B C & Co., LLP as one of the Joint Statutory Auditors of the Company			
7	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			
8	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			
9	Approval pursuant to Section 185 of the Companies Act, 2013			

Place: Gandhinagar

Date:

(Signature of the Shareholder/Proxy)

Note: This Ballot is to be used for exercising voting at the time of 9th Annual General Meeting to be held on Tuesday, July 30, 2019 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.

Notes

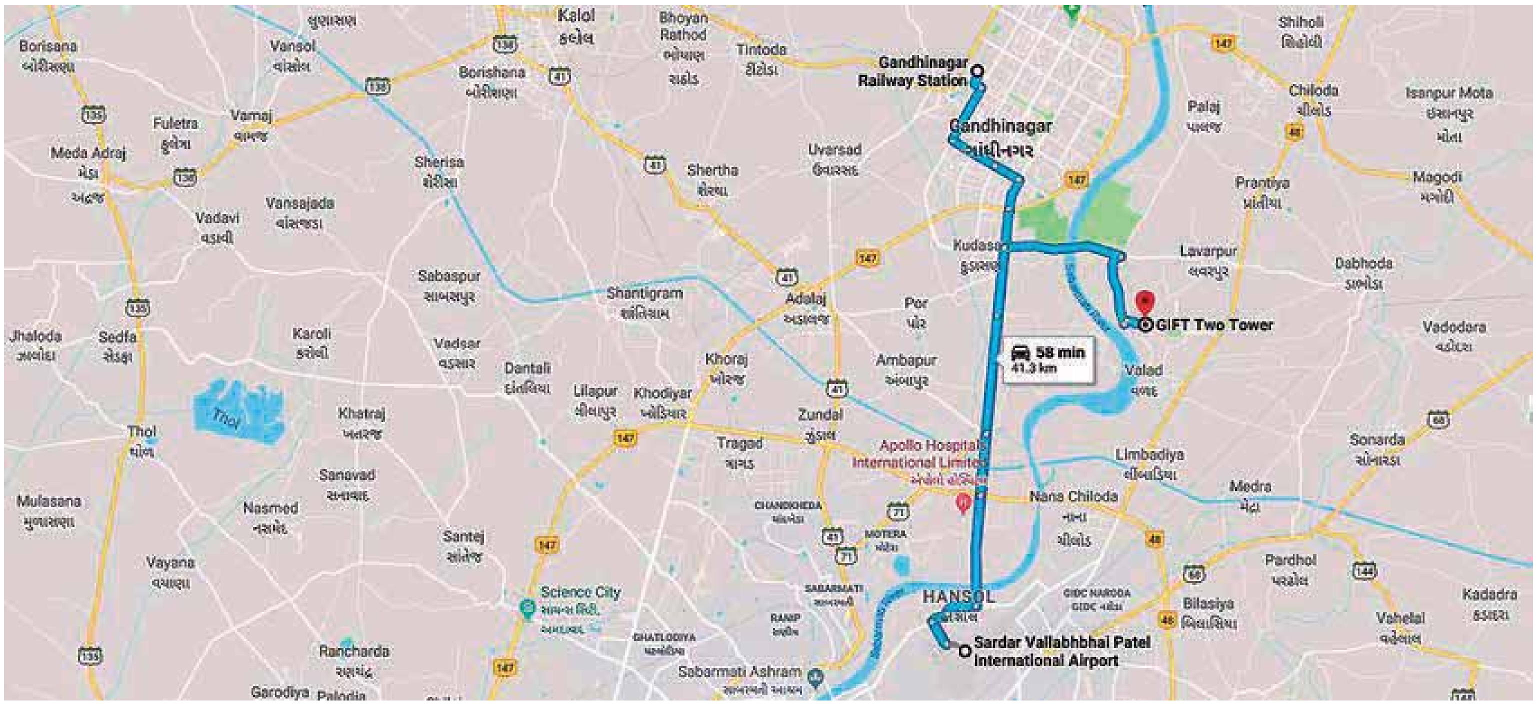
Notes

Notes

Route map to the venue of the AGM of

INFIBEAM AVENUES LIMITED

(Formerly known as Infibeam Incorporation Limited)



Venue: 23rd Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5, GIFT CITY,
Gandhinagar, Taluka & District - Gandhinagar
382 355

Landmark: GIFT CITY

Venue Distance from

Gandhinagar Railway Station: 14 kms. approx.
Airport: 18 kms. approx.

INFIBEAM AVENUES™

PAYMENTS | INFRASTRUCTURE | PLATFORMS

Infibeam Avenues Limited

Registered Office:
28th Floor, GIFT Two Building, Block No. 56,
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Taluka & District - Gandhinagar - 382355, Gujarat, India
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/concept, content and design at AICL (hello@aicl.in)