September 04, 2020

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. 2019-20 and Notice convening the 10th 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 10th Annual General Meeting ("AGM") and the Annual Report of the Company for the Financial Year 2019-20, which has been sent to the members of the Company through electronic mode in compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The AGM of the Company will be held on Wednesday, September 30, 2020 at 09.30 a.m. through Video Conferencing/ Other Audio Visual Means in accordance with the relevant circulars.

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)

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 | PLATFORMS

Accelerating eCommerce

In the fast growing digital economies of the world

Infibeam Avenues Limited

Annual Report 2019-20

What's inside

Online report

www.ia.ooo/financial-results/fy-2019-20

Infibeam Avenues Limited (IAL): Quick facts

India's leading digital payments solutions and enterprise software platforms provider

Diversified Fintech portfolio comprising Payments Acquiring, Payments Issuance, Remittances and Enterprise Software Platforms

1 million merchants across financial technology (Fintech) platforms and solutions portfolio

Ranks **third in India** (in terms of revenue market share and payments value processed) and **second in the UAE** (in terms of payments value processed) among digital payment solution providers

Only publicly-listed Fintech company in India, and consistently profitable

Accelerating eCommerce

in the fast growing digital economies of the world

Infibeam Avenues Limited (IAL) since beginning, has always focused on building a digital organisation that not only can scale but can also solve problems at scale. We had ventured into various digital-led businesses and explored different opportunities in our early days. We leveraged that experience to become one of India's leading Digital Payment Solutions (DPS) and Enterprise Software Platform (ESP) provider.

Today, as a global Fintech Company catering to the large and diverse Business-to-Business (B2B) client segment, we are taking our deep understanding of India's eCommerce and digital payments to markets across the world.

We are a leading Fintech provider in India and among the very few profitable Fintech companies in India, with a consistent growth and profitability track record. We aspire to replicate our success in India, in other fast growing digital economies of the world. We have already proven ourselves in the UAE region. In less than 18 months, we became the second largest non-bank private DPS provider in the UAE competing with some top companies. We aim to be the number one player in the UAE in next 18-24 months. We have recently launched our services in the largest economy in the Gulf Cooperation Council (GCC), in the Kingdom of Saudi Arabia (KSA), as well as Oman, and we are also venturing in the USA, one of the world's most advanced Fintech markets. We have been awarded an exclusive mandate competing with well-known global technology giants to offer our world-class eCommerce platform to the Government of India (GoI) for online procurements of products as well as services. We continue to explore opportunities in ESP business in India and in international markets.

We believe countries like India, the Middle East region, North Africa, ASEAN countries, developed economies like the USA, and some more geographies, present a large scope for us. With our comprehensive Fintech portfolio, we aspire to play a key role in increasing the share of digital transactions in the markets we operate and the one's we plan to expand into, most of which are at an inflection point of strong growth in eCommerce and online business models.

Performance highlights FY 2019-20

₹6,481 million
10%* ▲
Revenues

₹998 million
140%* ▲
Profit After Tax (PAT)

₹2,167 million
90%* ▲
EBITDA

₹622 billion
26%* ▲
Payments processed

*Over FY 2018-19. FY 2018-19 restated (unaudited) to exclude demerger and divestment of non-core businesses
PAT: excluding exceptional gain
EBITDA: including other income and share in profit/(loss) from associates

INFIBEAM AVENUES LIMITED AT A GLANCE

Powering digital payments

IAL is a leading Fintech company offering a vast array of DPS comprising Acquiring, Issuing and Remittance solutions, and customised cloud-based ESP. Our global B2B customers include merchants, businesses and enterprises of all sizes, banks as well as government bodies and institutions. Our solutions enable our B2B customers to execute eCommerce transactions at scale, in a safe and secure manner. Our marquee customer base, both in India and in international markets, bears testimony to our ability to deliver seamless services across the digital commerce ecosystem.

Our primary and domestic market of operation is India. We also offer our DPS and ESP services in the UAE. Upon the launch of DPS in the KSA and Oman, we now cover over three-fourth of the GCC economies.

We are headquartered in the Gujarat International Finance Tec-City (GIFT) at Gandhinagar with offices in Mumbai, Delhi, Bengaluru, the UAE, the KSA and USA. Today, we are one of the top three DPS providers in India, and the second largest in the UAE among the non-bank and private DPS providers.

We are strengthening our leadership position in core markets across industry segments, by staying true to our customer-centric approach. We are guided by our illustrious leadership team with proven expertise and experience in the B2B DPS and ESP space.

Numbers speak of our success

>1,000,000
Merchants in India and International markets; amongst highest

₹900 billion
Worth of transactions processed across our platforms in FY 2019-20

₹500 billion
Orders processed on IAL's largest platform implementation[1]

Top 3
In India, among online payment solution providers[2]

5
Countries of served: India, the UAE, the KSA, Oman, USA

We provide a vast array of Fintech solutions across the industry value chain

In our two decades of experience building DPS and ESP, we have created a diversified Fintech portfolio to simplify the business and payments for merchants, enterprises, governments and banks. We aim to offer our solutions to the merchants under one roof which makes transacting, integrations, reporting, analytics, and many other functionalities easy, so that merchants can focus on business growth and improve operational efficiency.

The Fintech solutions offered by us, and through our investee companies, can be segmented into four broad buckets under payments and platform solutions.

[1] *Since winning the GeM contract in July 2017*

[2] *Second in terms of net profit market share and third in terms of RMS and TPV of top 5 payment aggregators*

The Fintech offerings provided by us and our investee companies can be segmented into four broad buckets comprising payments and platform solutions

Payment acquiring

This is our core payment business where we offer a Payment Gateway (PG) for acquiring or processing digital payment transaction through 200+ payment methods categorised into debit and credit cards, net banking, wallets, EMI and UPI. We offer bulk payment solution to corporates to automate their receivables and payables. We also offer our PG solution as a white label service.

Payment issuance

Issuance is the new business we have ventured into, with an aim to leverage our strengths on the acquiring side. On the issuing side, we are now going to offer early settlements of merchant funds, prepaid cards to corporate, corporate credit cards and lending. These offerings allow us to earn higher transaction rates compared to the acquiring solutions. They also allow us to monetise our payment gateway operations. Additionally, entering into payments issuance allows us to be present on both sides of the payment transaction.

Remittances

We offer domestic remittance services including various financial services and assisted commerce service across India, through our investee company 'Go Payments'. We offer international remittances, B2B and B2C, including money exchange, forex (foreign exchange) cards, and more, through our investee company 'Avenues Payments'. We are also going to add international remittance payment option on our PG page to allow Indians staying abroad to directly pay on merchant's website for purchase of goods and services in India without using expensive options like international cards or remitting to Indian bank accounts first before local purchase, which is also relatively expensive.

Software platforms

To enable businesses to go online, we have built scalable software platform for merchants by developing SaaS-based (software as a service) platforms. We offer enterprise-level customised eCommerce platform to big enterprises for handling large volume of sales, example, the government e-marketplace portal, www.gem.gov.in. We also offer a bill payment platform under Bharat BillPay infrastructure for all billers across India to collect bill payments, and for consumers across India to make all kinds of bill payments using a single window system. At the same time, we allow customers to convert cash to digital while making bill payment. Further, we also offer a hospitality platform – a centralised reservation system – that allows hotels to pool their room inventory in one place and distribute it across various sales channels integrated with our PG to collect payments online.

We will keep innovating and adding more solutions to keep simplifying business and payments for our B2B customers.

OUR JOURNEY

Evolving to become a global Fintech Company

2007

Launch of Infibeam.com, an eCommerce marketplace

2010

Launch of Small and Medium Enterprise (SME) marketplace software platform to build online stores for doing business online (BuildaBazaar)

2014

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

Acquired ODigMa, an online digital marketing services company

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

2016

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

2017

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

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

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

2018

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

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

2019

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

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

2020

Launched digital payments in the KSA, Oman and USA

Acquired Cardpay Technologies (GRIT) to offer credit cards to corporates

Planning to increase stake in Go Payments to 52.38% and partner them to offer pre-paid cards

BUSINESS MODEL

Strong, scalable and sustainable

Resources we deploy

Financial capital
Equity
₹**12,305** million#

Almost debt-free balance sheet#

Technology and R&D expertise team
400+#

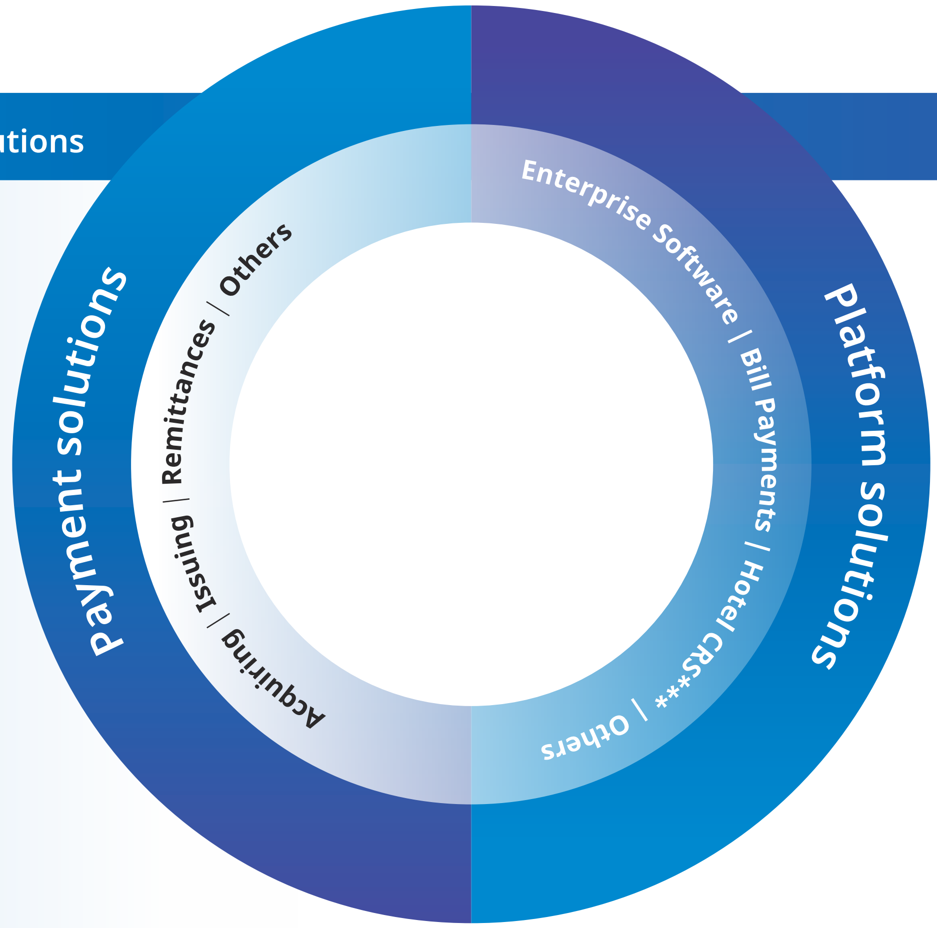
People
Total team size
690+#

Target segment

Micro, Small & Medium Enterprises (MSMEs), large enterprises, brands, banks, governments, across various industries

India and international markets

Solutions



Payment solutions

Acquiring
- Payment gateway and aggregation
- White-label payment
- Bulk payment

Issuing
- Express settlement
- Corporate credit card
- Pre-paid card for employees
- Lending

Remittances**
- Domestic remittances
- International remittances

Other Payment Services**
- Assisted financial commerce
- Neo Bank

Platform solutions
- Enterprise eCommerce Platforms
- Hospitality platform
- Bill payments platform

Other ancillary digital services
- Data centre services
- .ooo domain registry
- Advertisement platform frameworks
- And more ...

Who we create value for

Customers
Help them at every step with simple and secure Fintech solutions to grow their businesses

Employees
Relentless endeavour to make Infibeam Avenues a great place to work by harnessing a nurturing culture across teams and locations

Shareholders
Enhancing business value, achieving successful and progressive growth, and consistent cash flow generation

Society
Supporting the society by providing secure and easy digital tools for convenient transacting and driving financial inclusion

Governments
Aligned with government agenda of making India a less-cash economy and driving digitalisation

Value created

Shareholders
Earnings Per Share (EPS)
₹**1.63***

Customers
Total value of transactions processed annually
₹**900** billion

Employees
Employee benefits
₹ **623** million*

Governments
Procurements on GeM
₹**270** billion*

** During FY 2019-20*
 # As on March 31, 2020
*** Through investee companies; Go Payments and RemitOnline*
**** CRS - Centralised Reservation System*

INVESTMENT CASE

Why IAL?

An integrated and scalable business model

Our robust business model spans all major segments of DPS with immense potential to scale up in the markets we operate, along with ESP. As majority of our revenues are transaction-based, we see strong revenue growth potential amid increasing digital transactions. We continue to foray into and build strategic business segments within the ambit of digital payments. We have built a strong Fintech portfolio to capitalise on accelerating eCommerce (digital transactions) globally.

Robust transactions across Fintech portfolio in FY 2019-20

Transaction value processed

₹900 billion

Transaction volume processed

150 million

Diversified offerings for a diversified customer base

Our wide-spread and granular offerings virtually catering to all online businesses enable us to serve varied customer segments across institutions, merchants, corporates, banks and governments. Further, our Fintech solutions comprising full stack digital payments, highly scalable enterprise software platforms provide significant cross-sell and up-sell opportunities.

Diversified Fintech platforms

- MPI, switch and network - CCAvenue Payment Gateway Services (CPGS)
- CCAvenue Payment Gateway & white-label solution (PG)
- Business collections and payments and white-label solution (B2Biz)
- Bill payments platform for billers and customers (BillAvenue)
- Hospitality booking and channel manager platform with integrated payments (ResAvenue)
- Digital payment issuance and credit lending platform (GRIT)
- End-to-end enterprise software platforms for eCommerce (BuildaBazaar for enterprise)

Strong brand equity

With customer-centricity at the core of our operations, our brands too have evolved in sync with the needs of our customers. Our brands enjoy top-of-the-mind recall and continued trust of our customers, merchants and other stakeholders. We have created strong brands across all our business segments. We offer varied online services meeting multi-fold requirements of the merchants under one roof. We endeavour to strengthening these brands further by making the requisite investments and unlocking their full potential.

Our brands

Robust financials

Exercising prudence and discipline while managing our capital is paying rich dividends. We endeavour to constantly identify areas to improve operational and financial efficiencies. As a result, we generate high-quality earnings. We are among the very few profitable Fintech companies in India. A robust balance sheet and healthy cashflows free up growth capital to further enhance our capabilities.

Cash conversion ratio – EBITDA converted to cash flow from operations* (%)

FY 2019-20

>100%

Free Cash Flow (FCF) **

FY 2019-20

₹1,866 million

** Cash flow from operations before working capital changes*

*** FCF = EBITDA - Capex*

Experienced and motivated team

Our success stems from the constant guidance and support of our well-experienced management and motivated team. The management's ability to think ahead, identify future opportunities and, consequently, craft and execute the strategies to seize such opportunities has been the cornerstone of our evolution and growth since inception.

Average industry experience of our management team

20+ years

Asset-light business

We have adopted an asset-light and capex-lite business model, which aids overall profitability and cash flows while driving growth. Our international operations are largely managed from India, which allows us to operate through a very lean team there. This enables us to drive growth and profitability.

Capital expenditure*

FY 2017-18

₹1,143 million

FY 2019-20

₹301 million

**Excluding IPO money utilised*

DEVELOPMENTS DURING THE YEAR

Readying for the next level of growth

Expansion

- We launched DPS business in the KSA and partnered with one of the country's leading banks, the Riyad Bank. the KSA is witnessing a strong surge in eCommerce. With Riyad Bank as the acquiring bank, we will cater to all major industry verticals like e-retail, petroleum, real estate, tourism, hospitality, finance and education through our payments platform, CCAvenue
  - With our existing DPS business in the UAE, launch in the KSA and the launch in Oman in early Q1 FY21, we will now address three-fourth of the GCC region.
- We are also launching payments business in USA, the world's second largest digital payments market by revenue. We are leveraging our strong partnerships with top US banks in India to work seamlessly with the parent entities. We plan to offer our payments solutions to web- and mobile-based SMEs operating in online retail, education, hospitality and travel and tourism, among others, under CCAvenue
- We plan to increase our stake in Go Payments from 48% earlier to 52.38% and partner with them to issue pre-paid cards – meal, gift and general purpose – to corporates and MSMEs.
  - Launching RuPay pre-paid cards in partnership with IndusInd Bank

Expansion: Post balance sheet update

- Launched DPS business in Oman and tied up with country's top banks
- As part of strengthening our payments portfolio and to offer a complete suite of solutions to merchants, we are entering into Payments Issuance business, in addition to Payments Acquiring business that we are currently into
  - Launched express settlements (secured lending) for existing merchants; signed up with multiple clients to process transactions worth several crores daily
  - Launched prepaid corporate card for employees
  - Fully (100%) acquired Cardpay Technologies Pvt. Ltd. to cater to the huge addressable credit market for SMEs in India

Key business deals

- We onboarded some marque clients on our Bharat BillPay System (BBPS) platform, including HPCL, Bharat Gas, Palghar municipality, a large financial services company for loan repayment service, DMT services, among others
- We collaborated with top US banks in India for our payments business
- We partnered with Primechain Technologies to develop a cross-border blockchain invoicing platform. This partnership will enable us to target the $12 trillion global trade finance market and act as a key catalyst for our domestic and international businesses

Unlocking shareholder value

- IAL's Board approved the demerger of SME eCommerce service and marketplace business to Suvidhaa. The theme park and event business will be demerged to DRC Systems. Pending regulatory approvals, both the entities will be listed (BSE/NSE). These transactions are aimed at unlocking value for shareholders.
- Post balance sheet update
  - We received observatory consent from BSE stock exchange to proceed for approval from NCLT

Leadership

- We appointed Mr. R Srikanth as President of the Company. This appointment will strengthen Infibeam Avenues' top leadership team with a focus to build and expand our payments and platforms business. He has more than 30 years of experience in corporate finance, investor relations, funding, merger and acquisitions, as well as end-to-end financial planning and analytics. He worked with Reliance Jio Infocomm as President and CFO. He also worked as President and Group CFO of Polaris Financial Technology and with Future Software Limited

KEY PERFORMANCE INDICATORS

On a strong turf

Revenue from operations
(₹in million)

FY 2020	**6,481**
FY 2019	11,591
FY 2018	8,393
FY 2017	4,413
FY 2016	3,370

10%*

EBITDA**
(₹in million)

FY 2020	**2,167**
FY 2019	1,949
FY 2018	1,874
FY 2017	830
FY 2016	274

90%*

Net cash
(₹in million)

FY 2020	**775**
FY 2019	925
FY 2018	1,162
FY 2017	1,705
FY 2016	5,129

Operating cash flow***
(₹in million)

FY 2020	**1,630**
FY 2019	1,975
FY 2018	1,761
FY 2017	755
FY 2016	300

Profit after tax
(₹in million)

FY 2020	**1,080**
FY 2019	1,263
FY 2018	881
FY 2017	441
FY 2016	92

159%*

EBITDA margin**
(%)

FY 2020	**33**
FY 2019	17
FY 2018	22
FY 2017	19
FY 2016	8

Free cash flow****
(₹in million)

FY 2020	**1,866**
FY 2019	1,108
FY 2018	731
FY 2017	-1,038
FY 2016	155

Capex*****
(₹in million)

FY 2020	**301**
FY 2019	842
FY 2018	1,143
FY 2017	1,868
FY 2016	119

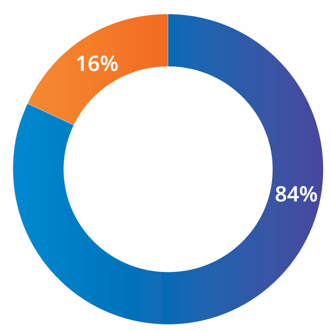
PAT margin
(%)

FY 2020	**17**
FY 2019	11
FY 2018	11
FY 2017	10
FY 2016	3

EPS
(₹)

FY 2020	**1.6**
FY 2019	1.9
FY 2018	1.3
FY 2017	8.5
FY 2016	2.2

FY 2019-20 revenue mix by market



*** EBITDA includes other income and share of profits / (losses) from associates*

*** Operating Cash Flow before working capital changes

**** EBITDA less Capex

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

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

*Growth based on restated and unaudited FY 2018-19 financials, excluding the impact from demerged and divested non-core businesses

CHAIRMAN'S MESSAGE

Delivering 10x value proposition

Dear Shareholders,

The world is confronting one of the greatest health threats of a generation, one that profoundly impacts the global economy and all of its citizens. Our thoughts remain with the communities and individuals, including healthcare workers and first responders, most deeply hit by the COVID-19 crisis.

Resilience and relevance: Responding to COVID-19 challenges

We have always stood for our customers, employees and communities in good and bad times. COVID-19 is one of those extraordinary times and we have responded with agility to this global crisis, prioritising our various stakeholder groups. Our employees are our greatest asset and customer centricity is at the center of all our business discussions and decisions.

We have very quickly mobilised and implemented work-from-home and other resiliency measures. To ensure business continuity, we quickly procured laptops and arranged to move desktops to employees' residences. During the lockdown in April, over 90% of our staff across all our offices worked from home. Even now, with some relaxations, majority of our staff continues to work from home with stabilised business flow, flow, making it the new normal. For those coming to work, we are reinforcing both basic and enhanced personal and office hygiene measures to keep them, their colleagues and their clients safe. We have also distributed face masks and check temperature to help protect employees and support staff.

The relevance of our Fintech solutions cannot be emphasised ever more than now. We realised that consumers, during lockdown, will require a continuous and smooth flow of daily goods and services while limiting their outdoor mobility and maintaining social distance for safety. We realised that this will also become the new normal, and our digital services will become part of their daily essentials. Thus, we further deepened our relationship with merchants and banking partners. We enabled many utility companies, education institutes, essential industry segments and penetrated across various industry verticals to allow end consumers to easily be able to make payments for these services online. We added more banks to our portfolio of banks including international banks to allow a greater number of customers to use their preferred bank for payment. In each of the businesses and solutions we offer, we broke our own previous records of integrating and activating client accounts, partnering with merchants and banks, and surpassing our own daily payment volume and value.

Sometimes, conditions may have become unusual and difficult, yet we are functioning smoothly. In fact, in the month of June we've crossed the pre-COVID daily payment processing value and volume. Surprisingly, we have seen consistent growth in the UAE, month-on-month since beginning of the year with no negative impact from COVID-19, especially during the months of March, April and May.

Needless to say, this success would have been impossible without our exceptional employees. We recognise our responsibility to support both their professional and personal lives.

There are great lessons to be learned from this experience and we believe we will emerge stronger.

As we deal with the spiraling effects of this pandemic, I want to assure you that we remain strong, resilient and are well-positioned to capture the ongoing opportunities in digital. We are at an inflection point staring at multi-year strong growth as consumers, businesses, banks and governments all transition steadily to adopt digital payments and digital platforms for transacting locally and globally.

To capitalise on this opportunity our Company has undertaken various initiatives through the year to build a future-proof business backed by our comprehensive digital solutions and led by our strong leadership team and motivated employees.

Looking back over a decade and half, we have come a long way and withstood some unprecedented challenges, as we will with this current pandemic too, which has not stopped us from accomplishing some extraordinary feat. Today, we are among the leading Fintech providers in India as well as among the leaders in the international market we operate. Over a million merchants use one or more of our Fintech solution to transact digitally.

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

Challenging global and local macro-economic environment

The COVID-19 pandemic has gripped the world and severely impacted businesses, trade and other economic activities. Several countries have announced financial stimulus packages to uplift the economy, businesses and people to help them ride through the pandemic.

For India, FY 2019-20 marked one of the slowest growths since the previous financial crises in 2008-2009. The full year GDP grew at only 4.2% with Q4 FY 2019-20 growing at the slowest pace at only 3.1%. The COVID-19 pandemic has created a dent in India's growth. Economists have projected a severe contraction in Q1 FY 2020-21 when the full impact of the lockdown is expected to drag the economy deeper into the negative territory. The growth for full year FY21 remains uncertain at the moment for the economy.

India's government has announced significant stimulus packages amounting over ₹20 trillion (approx. US$265 billion), comprising 10% of country's GDP. We are confident that the economy will pick-up from the second half of FY 2020-21 and should regain

CHAIRMAN'S MESSAGE CONTINUED

complete normalcy before the year ends.

Growing industry shift towards digital transactions

According to a report by BARC and Nielsen, mobile payments in India gained positive traction, and rose by 4%, between pre-COVID and third week post-COVID period, when most of the other industries suffered heavily showing stark de-growth.

A survey report by Capgemini Research institute observed rapid adoption of digital payments amid COVID-19 outbreak. It said, Indians are increasingly adopting digital payment methods, even those in the older age groups. And, India is currently at the top in usage of digital payments and will remain top in the next six months. Also, the appetite for online shopping and convenience will continue to grow after lockdowns are lifted.

In India and globally too, structural and secular trends are driving digital payments market growth. In India, there have been 3 billion monthly digital payments transactions, 3x in two years. Digital volume and value has expanded at 56% and 30% CAGR, respectively, from December 2015 to December 2019. Mobile banking has seen well over 50% growth in volume and value of digital transactions. There is tremendous headroom to capture the growing demand for many years, which will allow us to strongly perform in India. At the same time, we will also increase our share in the international market.

Globally, as per, Capgemini World Payments Report 2019, non-cash transactions are projected to grow from 38.6 billion in 2017 to 1,045.5 billion in 2022 growing at a CAGR of 14%. In Emerging Asia & the Middle East and Africa, non-cash transactions are projected to grow at 29.7% and 21.6%, respectively.

A world-class Fintech company

In a short span of about three years, we have grown to over a million merchants across our Fintech platforms from a factor of a magnitude lower at the end of FY 2016-17,, almost representing 10x jump. This will only grow with time. We processed transactions almost worth ₹900 billion across our platforms in FY 2019-20 from less than ₹10 billion in FY 2016-17. We also processed government procurements, which was worth ₹500 billion over the past few years on the GeM portal since we signed the contract in second half of 2017.

We are amongst the top three digital payment solution providers in India and rank second in the UAE among non-bank private players. We are the only listed home-grown, bootstrapped and profitable Fintech company with international operations, and having a comprehensive Fintech portfolio of digital payment solutions comprising Payments Acquiring, Payment Issuance and lending, Domestic and International Remittances, and Enterprise Software Platforms.

We have created strong brands across all our business segments. Our brands enjoy top-of-the-mind recall and continued trust of our merchant customers and other key stakeholders. We endeavour to strengthening these brands further by making the requisite investments and leveraging the full potential of these brands.

We have received many prestigious awards by reputed institutions endorsing our technology and leadership position in the Fintech business. We have been amongst the very few recognised as a Superbrand in 2019 both industry and consumer verified by Superbrands, in India. We have also been recognised and awarded 'Most Innovative Payments Service Provider' and 'Fastest Growing Online Payments Service Provider' in the UAE at the International Finance Awards 2019.

Accelerating business growth

In FY 2018-19, we scripted a multi-year growth story, to build a future-proof organisation which will create growing value for existing and prospective shareholders. During FY 2019-20, we began building each block, which will be a continuous process. During this period, we announced foraying into two new international markets adopting 'country-in-a-box' strategy and adopting local model. We announced launching digital payment operations in the KSA and in USA to capitalise on immense digital opportunities in these countries. We will expand in multiple geographies over the next few years. We are also launching new businesses and hence adding new revenue streams with minimalistic investments under digital payments to leverage the growing need for capital and credit in India and also to meet certain demands from our merchants for these services namely; instant settlement of merchant funds, pre-paid cards (physical and virtual) for corporate employees for business and personal spends, and issuing credit cards to corporates, which will all generate significant business for our Company over a period of time. We also plan to enter into lending by offering business loans, bill discounting facility and more but, at an appropriate time.

We are happy to announce 100% acquisition of Cardpay Technologies Private Limited, which we acquired on 5th June, 2020. They which will be a fully owned subsidiary of our Company through which we will offer physical and virtual credit cards including a spend management platform to corporates under the brand name 'GRIT'. The World Bank estimates a credit gap of $380 billion by enterprises in India which is not efficiently served by traditional channels. It presents a huge opportunity for us in the credit issuance space. Cardpay Technologies has a strong technology team. Its technology platform is among the industry best with built-in artificial intelligence and machine learning capabilities.

Our mission is to provide digital platforms for trade, commerce and payments.

Going into FY 2020-21 and ahead, we will keep working on, how we can add more value across the digital payment solutions' value chain and simplify business and payments for merchants and businesses through our Fintech solutions. We are leaving no stone unturned in capturing all opportunities to drive both organic and inorganic growth.

Maximising returns for our shareholders

FY 2019-20 was another year of solid performance by our Company. We achieved growth across business segments and scaled new heights. We made long strides in our payments and platforms businesses. These businesses continue to grow with rising acceptance among users and growing merchants. Payments business growth was marked by strong growth in merchant additions and transaction volume growth. Platforms business growth was contributed by growing software upgrades and other requirements from existing merchants and strong growth on GeM platform. Our operating and profitability margins during FY-2019-20 were also the highest ever at 33.4% and 15.4%, respectively.

We are one of the very few profitable Fintech companies in India constantly thriving to create value for the shareholders. We have generated positive cash flow year-after-year due to our capex-light model. Our capex reduced year-after-year dropping to ₹301 million in FY 2019-20 from ₹842 million in FY 2018-19, lowest ever. The capex investment cycle is behind us, excluding any inorganic investments.

We follow an efficient capital allocation strategy to generate high rate of free cash flow conversion and maximise shareholder's return. We have consistently converted EBITDA to cash flow and we have a cash conversion ratio of above 100%. We generated free cash flow of ₹1,630 million in FY 2019-20 compared to ₹1,975 million in FY 2018-19. We have negligible debt of ₹264 million in the form of term loan, which will be repaid in two years through internal accruals. Our capex requirement for running the business is low. Prudent and optimum use of capex has helped generate surplus cash, which we can use for organic and inorganic growth, and maximising shareholders' returns.

Road ahead

Indian digital payments market is poised for strong growth including push from the government and the Reserve Bank of India (RBI). In fact, the government's agenda to make India a less-cash economy has led to significant growth in digital transactions in the country, which is positive for us. Globally, the governments are mulling to increase the share of digital transactions for ease, speed, safety and transparency which will lead to growth of the economy.

Given our leading position, and our strong Fintech portfolio, we are well poised to accelerate the growth of eCommerce and digital payments market both in India and internationally. We will constantly focus on building and innovating solutions to simplify business and payments for merchants, enterprises and governments.

Our culture includes bias for action, hard work, innovation, forward thinking, attention to details, customer centricity and frugality, all centered around enriching the lives of our business customers and eventually the end consumers. We will continue to enhance merchant and customer experience through the digitisation and democratisation of commerce.

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.

Regards,

Ajit Mehta
Chairman

MD'S MESSAGE

Partnering clients to accelerate digital commerce

Dear Shareholders,

We ended FY 2019-20 on a strong note with growth across the board, both in Digital Payment Solutions (DPS) and Enterprise Software Platforms (ESP) businesses and across financial and operational metrices. DPS business continued its upward rally with strong growth in transaction volume and value processed, while ESP business marked another year of high double-digit growth. We have continued our journey to record strong operating and profitability margins, highest ever.

Delivering strong results sustainably

We achieved a revenue of ₹6,481 million in FY 2019-20, up 10%, compared to FY 2018-19, excluding the demerger and divestment of non-core entities in FY 2018-19. The growth in revenue was on account of growth in DPS business and strong engagements in ESP businesses in our domestic and international operations. The DPS business achieved positive growth during FY 2019-20 compared to FY 2018-19. We recorded highest ever number of successful payments transaction (Volume) and successful Payments Transaction Value (PTV). We processed 147 million transactions in FY 2019-20, up 28% year-on-year (y-o-y), while Q4 FY 2019-20 recorded highest ever volume in a quarter totaling 40 million, despite the last week of the quarter being impacted by COVID-19 pandemic. We processed payments worth ₹622 billion, up 28%, compared to FY 2018-19.

₹6,481 million

Revenue

₹622 billion

Payment processed

The DPS business in the UAE, achieved strong sequential growth since the beginning of calendar year 2020, even in April and May 2020, a period impacted by COVID-19 globally. The PTV and volume were up 42% and 48%, respectively in May 2020 versus March 2020. The PTV and volume grew in the Ramadan period in May 2020 by 10% and 7%, respectively over April 2020, when compared to a sequential fall in PTV and volume in Ramadan period of May 2019.

On account of pandemic, the consumers and the enterprises have both felt the necessity for digital adoption and business transformation, leading to wide acceptance of digital payments in India as well as in our international operations. This helped in merchant addition in DPS business remaining strong and unaffected even during the lockdown at the end of March, April and May, which will potentially result in growth once the economy gradually re-opens. We were processing at a run-rate of ₹750 billion in the month of March 2020, based on the average of first twenty-four days of March 2020, before the nation-wide lockdown was announced by the Government of India. Due to partial relaxations allowed in May in India, we observed strong sequential growth in transaction processes volume and value compared to a dip during lockdown in April 2020, indicating strong recovery in the business. We will be able to cross the pre-COVID levels easily in July 2020.

Severe pricing competition in the DPS business, triggered by loss-making and well-funded payment solution companies, zero Merchant Discount Rate (MDR) guidelines by the Government of India on UPI and RuPay cards, increase in low MDR and flat fee transactions related to recharges, utility payments, education, etc. led to a drop in our gross take rate on the total value of payments processed. However, our prudent pricing policies, long-standing client relationships, and aggressive business development led to significant rise in volume of payments processed. This helped in maintaining our net take rate to remain almost same compared to FY 2018-19, and helped in improving our EBITDA margins and net profits. On the back of newer product launches, especially on payment issuance side like express settlement, prepaid cards, corporate credit card, etc., and expanding into international markets, we will be able to improve our net take rate in DPS business going forward, which should further enhance operating and profit margins.

We are also seeing an increased usage in bill payments through NPCI's Bharat BillPay (BBPS) infrastructure. The monthly volume has increased from 15.8 million in March 2020 to 16.5 million in May 2020. Infibeam Avenues bill payments value and number of bills processed increased by 91% and 93%, respectively in FY 2019-20 compared to FY 2018-19. We are the exclusive non-bank bill processer for all three gas cylinder providers in India namely, IOCL, BPCL and HPCL.

ResAvenue, our hospitality platform integrated with our digital payment solution now has over 2,000 hotel properties working with us compared to a little over 1,000 properties in FY 2018-19. We are working towards increasing the number of hotel properties to 3,000 by end of FY 2020-21. We are integrated with all the major Online Travel Agents (OTAs) and we also added Paytm as the new OTA on the ResAvenue platform. On an average, in Q3 FY 2019-20, more than 3,000 room nights were being booked daily, compared to 2,000 room nights being booked on an average daily in Q4 FY 2018-19, a growth of 50%. The average daily room nights booked for the entire year was over 2,600 room nights, affected in the month of March due to COVID-19.

ESP business achieved strong double-digit revenue growth in FY 2019-20 compared to FY 2018-19. During the year, upgrades and additional requirements by few subscription-based enterprise clients, and increase in volumes on GeM portal (our transaction-based client) led to a very strong growth. However, Q4 FY 2019-20 revenue was impacted due to lower invoicing and collections on account of lockdown in the last few days of March 2020. This will be realised in the first half of FY 2020-21.

Our EBITDA margins improved to 33.4% in FY 2019-20 compared to 19.4%, adjusted for demerger and divestments, in FY 2018-19. The improvement is primarily on growth of volume of business and operating efficiency achieved on growing scale.

Our prudent pricing policies, long-standing client relationships, and aggressive business development led to significant rise in volume of payments processed.

MD'S MESSAGE CONTINUED

Building a future-proof business

Our Fintech solutions are capable of delivering a 10x value proposition to the enterprise as well as customers. We understand customer behaviour, procurements, payments, delivery behaviour, industry requirements, fulfilments, demand and supply. We understand B2C commitments and have accordingly built B2B2C platform products and solutions. Marquee clients in domestic (India) and international markets use our Fintech solutions. We have been awarded an exclusive mandate, competing with some of the well-known global tech giants, to offer our eCommerce platform to the Government of India for central and state government procurements, online (government procurement target: $100 billion). We have a very strong leadership – ownership driven – partnering with our clients to deliver strong results with a 'can do attitude'.

We partner with clients' decision making for an ultimate growth and create shareholder value. We are equipped with necessary human capital, intellectual capital, operational capital, financial and brand capital. We take pride in helping many ideas to fruition, assisted by our Fintech solutions. Long-term commitment to customers and towards our Fintech, has helped us build a strong digital ecosystem.

During the year that went by, we built a premier Fintech company offering a comprehensive portfolio of digital solutions to merchants and businesses, including large enterprises and government. We remain among the top three players in India in terms of revenue market share. In a very short period of less than two years of launch of operations in the UAE we have been number two among non-bank private players since FY 2018-19.

Among the top peers in the Payment Gateway (PG) and Payment Aggregation (PA) business, in India, we are far ahead of the competition in terms of the portfolio offering, our international presence as well as on profitability parameters.

During FY 2019-20 and after the balance closing date, we have undertaken various initiatives towards building a strong, scalable and sustainable business. From strategic tie-ups to strategic investments, new business to new geographies and strengthening of our leadership team.

International markets present a strong growth opportunity, given our strong Fintech portfolio, our experience in India and our success in the UAE. Hence, during FY-2019-20 we announced expanding our DPS business in the KSA and USA, which are markets with very high potential for growth. KSA, along with UAE contributes two-third of GDP of Gulf Cooperation Council (GCC) with highest potential for growth in digital transactions. USA is world's top market for Fintech companies excluding China. We are also making inroads in other GCC economies.

We have made inroads in Oman, a GCC nation, by offering our payment gateway, as-a-service, to a leading Omani bank, a first of its kind complete PG solution to an overseas bank. Further expansion in Oman is underway to offer full-fledge digital payment solutions from end of first half of FY 2020-21 or early second half.

We are also planning to launch our Fintech solutions in multiple countries, emerging and developed, across the world, over the next few years, with country-in-a-box strategy. We aim to be among the leading Fintech solutions providers globally.

We are the only DPS provider in India offering our PG to banks as a white-label solution. During FY 2019-20, we onboarded, among others, one of the world's largest bank, J.P. Morgan Bank, to offer our PG as a white-label solution for acquiring payment transactions in India. We are also in process of targeting other top foreign banks in India for offering our PG as a white-label solution. Two of India's top banks' PG service, HDFC Bank's B2Biz and Kotak Bank's AllPay, is white labeled by us.

Since the second half of FY 2016-17, we have been a key technology provider to develop and manage Government of India's online procurement portal, GeM, which is built on our world-class enterprise-level eCommerce platform, BuildaBazaar for Enterprise (BaB-E). The Government of India is launching GeM 4.0 in August 2020. It will have one of the largest uses of advanced technology in any government platform around the world. GeM has a special focus on MSMEs, self-help groups, artisans, weavers, craftsmen and TRIFED into GeM. Since its inception, GeM is continuously working towards promoting 'Make in India' initiative and the portal has facilitated entry of small local sellers in public procurement. Through GeM 4.0 launch, it aims to onboard 9.2 million MSMEs, 2.1 million weavers, 1.8 million craftsmen and 1,000+ self-help groups around the country and create special TRIFED categories over 5,000 products.

33.4%
EBITDA margin

>100%
EBITDA to cash

This will significantly enhance government's 'Make in India' initiative, and uplift the marginalised and underprivileged sections of the society in which GeM wants to be a part of their growth story. It will also enhance procurement volumes on the GeM portal and revenue for us.

In the DPS business, we are building additional revenue streams to have a diversified Fintech portfolio, gain higher market share, and to further boost our operating and profitability margins. We were earlier present on the Payment Acquiring side, accepting and acquiring payments digitally for the merchants. In FY 2020-21, we are entering into the issuance side of the digital payments, offering; 1) instant settlement of merchant funds on successful payment transaction instead of T+2 or T+3 days settlement, 2) to capitalise on huge credit opportunity to SMEs in India we will offer credit cards to corporate to meet their recurring business expenses, and 3) issue pre-paid cards to corporate employees for personal and business spends.

Under the ESP business, we are evaluating multiple proposals to offer our eCommerce platform integrated with payments to large enterprises and governments both in domestic and international market.

We are seeing growing traction for our Fintech solutions which we believe will be the need of the hour as more offline transactions move online due to consumer demand, push from government for transparency, higher productivity and scalability for merchants and enterprises, significant improvement in the information and communications technology infrastructure, affordable smartphones and deep high-speed reliable internet penetration.

Charting a long-term growth

These initiatives namely, new revenue streams under payment business, geographic expansion, and strong traction for ESP business, along with strong tailwinds in India and the UAE for growth of DPS business will allow us to scale higher, and generate higher cash flows. We have put in place well-defined strategies to take our Company to the next level. Our key strategic priorities include 1) growing the share of transaction-based revenues, which allows us to scale our financials, 2) deepen our offerings to provide end-to-end solutions across all our business segments, 3) build bespoke solutions to grow the vertical-focused businesses such as ResAvenue and GeM, 4) expand in high-potential and high-growth international markets, and 5) continue to improve our profitability by driving higher efficiencies across all our processes and activities.

In our growth from here, 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. The world-class captive infrastructure we have built in GIFT City will act as a facilitator in the scale up of our digital payments and enterprise platforms operations, besides providing higher efficiencies across all our functions.

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

We invite you to partner us on our journey to accelerate global eCommerce growth, backed by our Fintech solutions.

Regards,

Vishal Mehta
Managing Director

EXTERNAL ENVIRONMENT

Tapping global digital transaction potential

Fast growing cashless economy

Over the past few years, the Government of India has worked proactively to reduce the number of cash transactions and promote digital/cashless payments across the country. Several awareness campaigns have been launched. Given the need to practice social distancing to contain the spread of coronavirus pandemic, the importance of digital payments has increased further. Users are increasingly realising the higher convenience associated with digital payments. In addition, there has been a rapid improvement in digital payments infrastructure. However, cash still account for 80-90% of all retail transactions (by volume) in India, which points to the vast untapped potential. There is still tremendous scope for growth as in India, there were only 18 cashless payments per inhabitant on average in 2018, compared with 142 in China and 529 in Sweden, according to the Bank for International Settlements.

Number of cashless transactions per person and projected growth in India

2014	2.4
2019	22.4
2021E	220

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

Increasing online shoppers

Internet consumption in India is growing rapidly on the back of easy availability of low-cost smartphones and a steep fall in data tariffs. Social media websites, eCommerce portals and several utilities (food, groceries, electricity and mobile bills, among others) are attracting maximum online traffic. Digital consumption is changing the face of many industries including entertainment, pharma, and consumer goods, benefiting merchants and consumers alike and fuelling growth in non-cash payment services.

Number of online shoppers in India

2016	60 million
2022E	690 million

Source: Morgan Stanley, May 2020, India's Digital Economy in a Post-COVID-19 World

Growing traction of multipurpose apps and platforms

With increasing smartphone penetration in India, several online service providers are gaining traction with the promise of ease and simplicity. From hotel bookings to air ticketing and dining out to home improvement services, consumers are increasingly embracing digital payments and platforms for increased convenience.

Smartphone penetration in India

2017	300 million
2022	859 million

Source: Morgan Stanley, May 2020, India's Digital Economy in a Post-Covid-19 World

Lower online presence of small and medium enterprises

MSMEs in India are yet to catch up with digital payments and thus offers significant potential. India has nearly 60 million MSMEs (as per The Confederation of All India Traders) that remain outside the digital ecosystem. According to a study by KPMG and Google, digital MSMEs grow revenues and profits faster than their offline counterparts, owing to their greater reach at minimal incremental costs. Further, there's exist a significant addressable credit gap, especially in working capital funding, in the MSME segment.

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 2015 and 2016 and primary data collected by Kantar IMRB

Increasing non-cash transactions globally

Owing to the superior speed, convenience and cost benefits offered by digital payments, they are being increasingly adopted by consumers around the world. Globally, businesses as well as central governments are reaping higher efficiencies delivered by digitalisation and are pushing them. Digital payments and transactions also lead to greater transparency and accountability.

Global trends in digital payments
($ trillion)

2018	3.41
2026	10.07

Source: Capgemini, World payments report 2019

Note: Each of the years represent calendar year.

STRATEGIC PRIORITIES

Ready. For the long run.

Ramp up share of transaction-based revenues

Over the past few years, we have consciously reduced the share of subscription-based revenues while growing our transaction-based revenues. Such a shift entails multiple benefits given that transaction-based revenues are more direct in nature and provide high visibility and scalability to our business.

Share of transaction-based revenues in total revenues (%)

FY 2019-20	75%

Further expand solutions range to strengthen merchant relationship and deepen merchant penetration

We are working towards making our product offerings more granular to capture the growth prospects across different sub-sections of the digital payments ecosystem from acquiring to issuing, along with remittances and enterprise software platforms. Our focus is on introducing innovative and bespoke products and solutions in a timely manner. These new launches will be driven by the needs of our B2B customers, and enable us to deepen our relationships and gain further penetration in the market.

Number of merchants

FY 2016-17	<100,000
FY 2019-20	~1,000,000

Expand in high-potential international markets

Digitalisation is constantly changing business models of different industries, not just in India, but globally. Accordingly, we are looking to foray into high-potential, strategic markets. During the year, we took our offerings to the KSA and USA. We will continue to venture into countries with high potential for digital transactions.

A large addressable market in India and internationally due to growing demand for digital payments.

Enhance profitability and cash flows

We have always followed a disciplined approach while managing our financials with an unwavering focus on driving profitability and operational efficiencies. We are committed to strengthening our balance sheet, thereby making available steady growth capital and driving our next level of growth largely through internal accruals.

Growth between FY 2015-16 and FY 2019-20

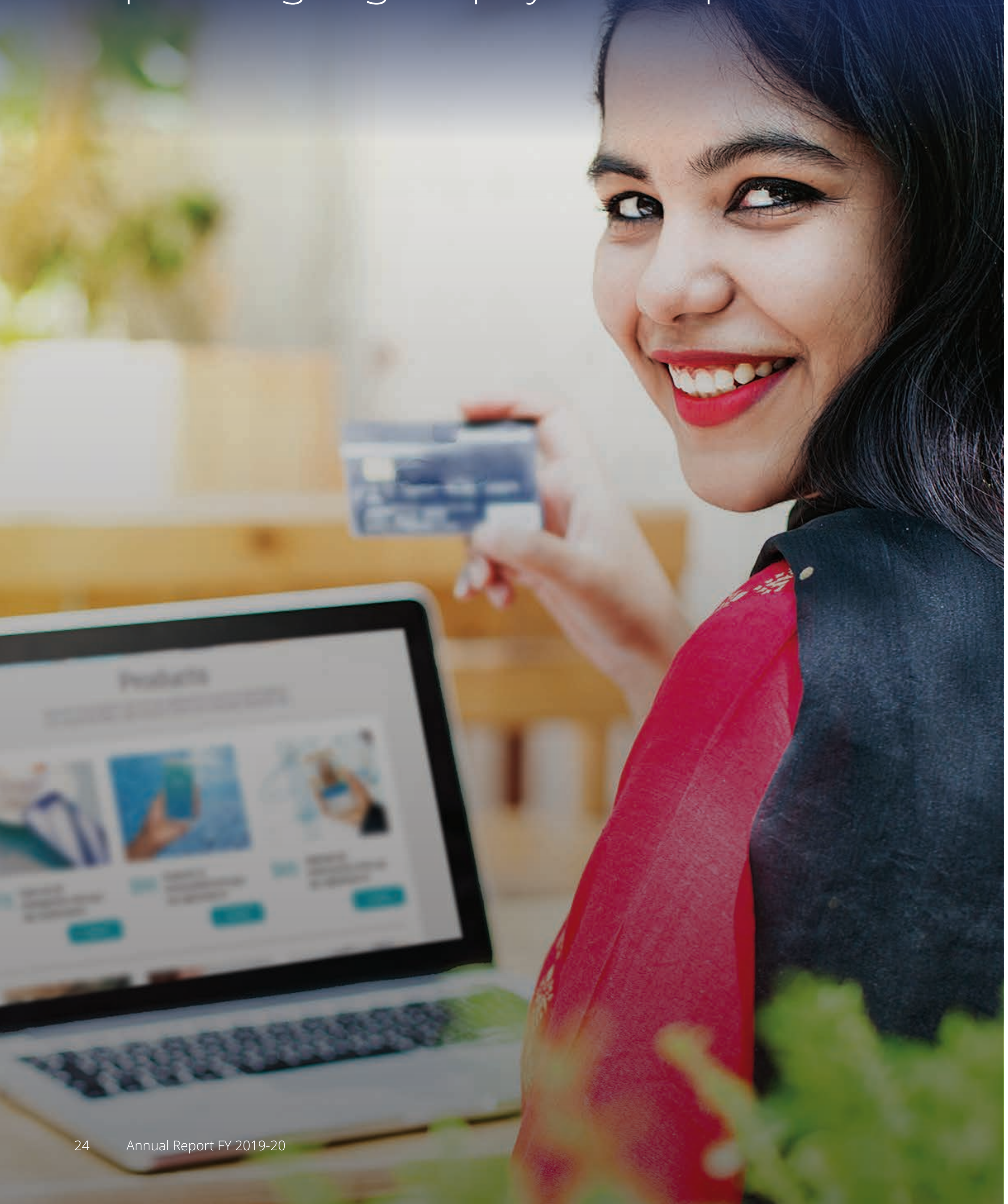
PAT
11x

Cash from operations*
5x

**Cash from operations before working capital changes*

PAYMENTS

Expanding digital payments pie



We are an online payment solutions provider in India, offering acquiring and issuance payment solutions, along with domestic and international remittances. Our leading position in the domestic market makes us well-placed to maximise on the opportunities in this space. We rank second in the country by net profit share, third by revenue market share. We provide the maximum number of payment modes with the highest number of wallet and EMI options. We are the only payment solution provider in India working with many international banks for acquiring transactions. In the UAE, we rank second by value of payments processed (among non-bank private players).

We are well-diversified and present in multiple sub-segments within this sector. We are also looking to foray into select high-potential sub-segments and expand in international markets.

What makes our payments business stand out?

- A diverse, growing range of payments solutions
- Growing reach in existing (India, the UAE, the KSA, Oman, USA) and new markets (multiple countries)
- Robust security systems
- Experienced technology, business and leadership teams

Payments business

Existing

- Retail payments
- Bill payments
- Hotel payments
- Bulk business payments
- White label service
- Domestic remittances
- International remittances

Upcoming

- Express settlement
- Prepaid cards
- Corporate credit cards
- Lending
- Payment gateway services
- International expansion

EXPANDING DIGITAL PAYMENTS PIE CONTINUED

CCAvenue®

Established in 2001, CCAvenue, is one of India's oldest and largest direct debit engines. This B2B business offers an online payment gateway to merchants to accept payments through various modes like net-banking, credit cards, debit cards, digital wallets and UPI. Through this business, we offer SaaS-based, multi-channel, multi-lingual and multi-currency solutions, which enable us to launch our payments business in any market across the world. We are compliant with the world's latest safety standard – PCI DSS 3.2.1. This business operates on a transaction-based revenue model, which is scalable as well as profitable. CCAvenue operations span across India, the UAE, the KSA, Oman and USA.

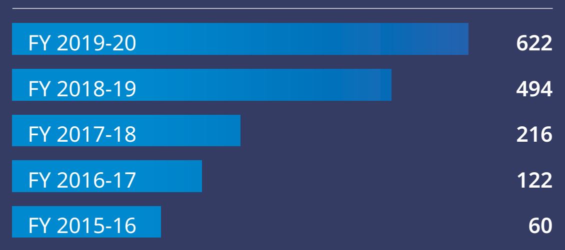
90
of India's top 100 web merchants

₹622 billion
Annual payments processed

200+
Payment options

₹147 million
Successful annual transactions

Successful payments processed (₹in billion)



10x
between FY 2015-16 and FY 2019-20

Why our clients prefer us

- Neutral payment gateway having one of the highest payment options
- Quick integration
- Excellent customer service and problem-solving skills
- Real-time processing
- Associated with most debit and all credit cards
- Maximum EMI and digital wallet options, and all UPI 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, HDFC Bank SmartHub, J. P. Morgan India

Our marquee clientele

TAJ, Oberoi Hotels & Resorts, ITC Hotels, MakeMyTrip, yatra.com, goibibo, Emirates, Vistara, IndiGo, Paytm, freecharge, MobiKwik, AirAsia, Amway, Lakmé, OLA, M, Jio, airtel, GoDaddy, bookmyshow, Bajaj, Hyundai, Reliance General Insurance

Our prominent payment solutions (in addition to the payment gateway)

B2Biz payments
It automates, streamlines and simplifies business collections and payments via multiple payment modes. It accelerates cashflow, improves efficiency and saves cost.

CCAvenue SNIP
Our Social Network Instream Payments (SNIP) enables clients to sell products and collect payments in-stream across social networks like Facebook, WhatsApp, Twitter and Pinterest, among others, instantly.

Invoice payments
This solution enables clients to automatically create and send itemised, recurring and bulk invoices in multiple currencies.

Subscriptions
This solution enables clients to create automated and customisable subscription plans and collection of recurring payments through multiple payments modes.

Upcoming digital payment solutions

Express settlement
Instant settlement of merchant's funds for them to keep rolling their capital for higher sales and accelerate growth.

Prepaid cards
Smart (prepaid) cards for corporate employees that can be used for a variety of business expense; travel, food, hotel, among others, with tax benefits.

Corporate credit cards
Physical and virtual credit cards for corporates to meet their recurring business expenses, which does not require working capital loans from banks, also having higher spending limits and higher rewards.

Lending
Business loans, bill discounting, and more to allow merchants to maintain a healthy working capital to accelerate their business growth.

EXPANDING DIGITAL PAYMENTS PIE CONTINUED

Upcoming digital payment solutions

Express settlement service

Most small and medium merchants and many large enterprises too, run businesses that require daily cash at hand. The facility to allow them to get instant credit of their funds can help them to roll over their funds multiple times in a day to achieve higher sales and hence achieve higher growth.

To address this requirement of merchants, we have launched express settlements, which allows our merchants to settle their funds instantly on successful payment transaction. This allows merchants and businesses to roll over their funds multiple times improving their operational efficiency.

The merchants can opt to receive their payments instantly as soon as the payment transaction is successful rather than receiving it after T+2 or T+3 days, for a small additional fee to the existing MDR that the company charges.

We have secured multi-crore credit line from banks for this purpose where cost to your Company for each day of this facility extended to the merchants is miniscule in lower single digit basis-points for which we can offer to the merchant at a far higher rate, and on a case-to-case basis. When converted to full year, the earning to us is twice or thrice the cost to us.

Prepaid cards for corporate employees

We will be launching corporate prepaid cards, in partnership with our investee company 'Go Payments'. Go Payments, apart from many other financial services, also offers meal, gifts and general-purpose prepaid cards (physical and virtual) for corporate employees which can be used for a variety of business expense namely, travel, food, hotel and more.

For a corporate it is the usual cost-to-company in the form of a prepaid card with no charges to corporates. The employee benefits from tax allowances on these cards increases their net salary.

Corporates load the prepaid cards every month, funding our bank account in advance, on the basis of which the prepaid cards are issued to employees, making it a secured lending solution.

These prepaid cards can also be termed as debit cards as the amount gets instantly debited on spending. The employee can spend it over a period of time depending on the validity. When the employee uses it to purchase at any merchant outlet, offline or online, the merchant will be charged a certain rate. Typically, the net take rate is multiple times higher than the net take rate in payment gateway business or the acquiring side of digital payments, allowing us to earn higher margins.

As per ResearchandMarkets.com, the prepaid card market in value terms in India increased at a CAGR of 40.2% during 2014 to 2018. Over the forecasted period of 2019-2023, the market is expected to record a CAGR of 36.5% to reach $133.9 billion by 2023 from $38.6 billion in 2019.

Credit cards for corporates

There are nearly 75 million MSMEs in India contributing to about a third of India's GDP. The World Bank estimates the credit gap for MSMEs in India to be at $380 billion. With continued digitisation efforts and improved regulatory norms for data security and protection, this credit gap can be suitably and widely addressed by digital lenders more, than by the traditional banks or the very expensive credit lenders.

To bridge this gap and to capitalise on the humungous opportunity, we are launching corporate credit cards branded as GRIT Cards. We are happy to announce 100% acquisition of Cardpay Technologies Pvt. Ltd., offering one unified spend management technology platform to corporates under the brand name GRIT with physical and virtual credit cards, invoice processing, and early payment discounting. The technology platform developed by Cardpay technologies is among the industry best with built-in artificial intelligence and machine learning capabilities to offer credit.

There are many companies that require ongoing strong credit support without the burden of interest payments.

Companies can instantly avail credit cards from us with higher and dynamic limits than the traditional cards including loyalty and rewards points better than the traditional offers.

A higher credit card limit allows credit card holders in smoothly meeting all the expenses and easily make the payment within a decided credit cycle without having to pay any interest, which otherwise they would regularly have to pay to the banks. Instead, the transaction fee is charged to the merchant where the expense is incurred.

UAE BUSINESS SNAPSHOT

Prominent positioning in the UAE

CCAvenue UAE

We are among the leading non-bank private DPS providers in the UAE. We have over 750 clients, including many reputed companies and brands. Some of them include

Sobha Middle East
6Th Street
Radisson Blu
Habtoor Grand Resort
Autograph
La Perle by Dragone
Trump Golf
Rehlat
Brands For Less
Fitness First
Ezeego1
Cozmo Travel
Cox & Kings
VFS Global
Udrive
Al Tayer Motors
Hilton Hotels
Rixos Bab Al Bahr
800Tickets
Tasleem Billing
Qatar Insurance
Middlesex University
Manipal University
Fujairah Municipality

2.1 million
Transactions processed*

2nd largest
In UAE #

AED **1.7** billion
Payments processed*

>40% y-o-y
Growth in payments processed*

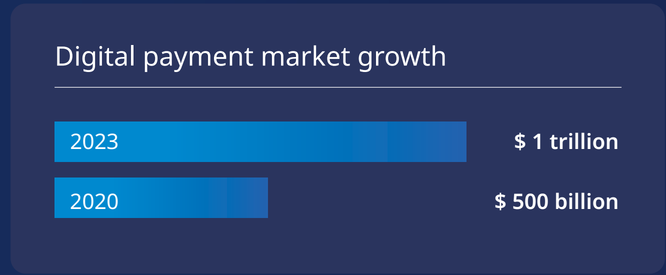
**During FY 2019-20*
#among non-bank private players

EXPANDING DIGITAL PAYMENTS PIE CONTINUED

Opportunity landscape

India

- India is Infibeam Avenues' core market
- Digital transactions, as per the Reserve Bank of India's Payment System Indicators, has grown 3x in the last two years to 3 billion monthly transactions. Digital volume expanded at a 56% CAGR from December 2015 to December 2019 and digital value expanded at a 30% CAGR.
- Digital payments market is expected to grow from $ 500 billion in 2020 to $1 trillion in 2023 (Source: Source: McKinsey Report, March 2019)
- Person-to-merchant (P2M) payments are estimated to more than double between FY 2019-20 and FY 2024-25 to $ 500 billion (Source: BCG Google study, Digital Payments India 2020)
- There is immense potential to bring SMEs in India online. As much as 68% of India's medium and small businesses (totalling ~50 million) are offline (Source: ITOPS Business 2016 Database). With growing reach and acceptance of digital payments, these businesses are expected to migrate to digital payments over the next few years.



(Source: McKinsey Report, March 2019)

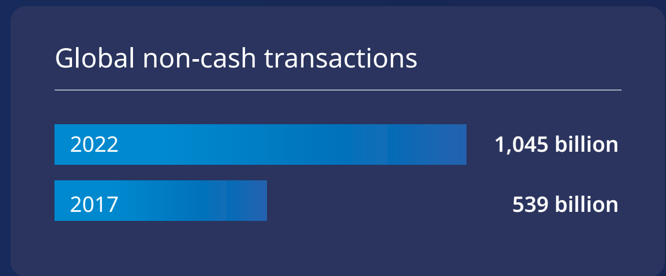
Gulf Cooperation Council (GCC)

- Outside India, IAL operates in the GCC region, largely in the UAE and the KSA.
- Digital transformation continues to play a fundamental role in shaping GCC economies (the KSA, the UAE, Qatar, Kuwait, Oman and Bahrain). GCC countries have a population of 54 million with a GDP of $ 3.6 trillion.
- The GCC's two largest economies, the KSA and the UAE, together accounted for about two-thirds of the region's GDP in 2018.
- As part of the GCC's overall economic transformation agenda, the region has achieved growth across sectors, with improvement in foreign investments and credit ratings.
- With the continued growth in device penetration and network connectivity, and the emergence of new technologies, the pace of digital transformation is increasing.
- The GCC economies are placing digital transformation at the core of their national plans: the KSA's National Transformation Plan 2020; the UAE's National Agenda 2021; and Qatar's National Development Strategy 2017-2022.

The KSA and the UAE, together accounted for about two-thirds of the region's GDP in 2018.

Global

- We launched services in USA. We plan to enter into other developed and emerging markets in future.
- Global digital payments market is expected to reach $ 10.07 trillion by 2026, at a CAGR of 14.3% from 2019. (Source: KPMG)
- Global non-cash transactions are expected to nearly double from 539 billion in 2017 to 1,045 billion by 2022. (Capgemini World Payments Report 2019)
- North America is likely to register a 12.8% CAGR. The region's economic predominance and ease of adopting digital payments will enable this growth.
- Asia Pacific is likely to record a CAGR of 19.1%, riding high on the proliferation of digitalisation amongst consumers and government push to digital payments in developing countries.
- The Mobile Banking segment will gain a significant market, expanding at a CAGR of 27.3% by 2026. (Reports And Data - Marketysers Global Consulting LLP, July 2019)
- The eCommerce segment will achieve the highest growth rate of about 18.9% throughout the forecast period of 2026.



(Source: Capgemini World Payments Report 2019)

Note: Each of the years represent calendar year.

Outlook

We are gearing up to launch our payments business in multiple countries over the next two years, in line with our aspirations of becoming one of the top Fintech companies in the world. We aim to accelerate payments processed growth (in value) every year. An expanding reach as well as a merchant base will be the key catalyst of this growth. We will also ramp up operations in the KSA, Oman and USA to increase our market share over the next few years.

We own a 48% stake in Instant Global Paytech Private Limited and plan to increase it to 52.38%. Instant Global Paytech operates in India through the brand 'Go Payments'. It provides services such as domestic money transfer (DMT), mobile recharges, bill payments, pre-paid cards, travel booking and insurance, among others. Corporates, MSMEs and government organisations are the key target customers.

Services offered

- Money transfer
- Mobile recharge
- Travel
- Insurance
- Cash collections
- Prepaid cards (open loop and CUG)
- Aadhar Enabled Payment System (AEPS)
- Bharat Bill Payment System (BBPS)

Key strengths

20,000+

Active agents in India

Partnered with leading players in India

Growth trend

up over **10 times***

Gross Transaction Value (GTV)

**During FY 2019-20*

Outlook

We will strengthen our offline payments business and cater to 700 million+ plus unbanked and underbanked population across India. We are looking to bag large-scale bank projects, grow our agent network across the country, expand market share of prepaid cards business and diversify product portfolio to offer more financial services.

In partnership with Go Payments, we aim to offer low-risk, high-margin, all-in-one pre-paid (smart) cards to corporate employees to pay for their expenses digitally.

Our investee company, Avenues Payments India Private Limited (RemitOnline) is a one-stop platform for banks and businesses to launch their remittance services. It provides end-to-end plug and play bank grade technology platform (B2C and B2B) for cross-border remittances and payments. RemitOnline also offers white-label services for banks with blockchain technology to launch cross-border payments, both inward and outward (Kotak Bank, Axis Bank, Yes Bank, Muthoot Fincorp, and many more). It works with nine of the top 10 private sector banks in India.

Our integrated RemTech products and services

DigiRemit

Enables end-to-end inward and outward remittances

BizPay payments

Facilitates cross-border business payments

LastMile

Enables disbursements of inward remittances

eCommerce

Facilitates cross-border eCommerce

DigiForex

Connects AD-II and banks for outward remittances

ExCore

Integrated tech core to automate remittances for exchange house

Our scale

$6+ billion

Remittance flows globally

$**3** million+

Person-to-person transactions

170+

Workforce with domain knowledge

30+

Send countries

65+

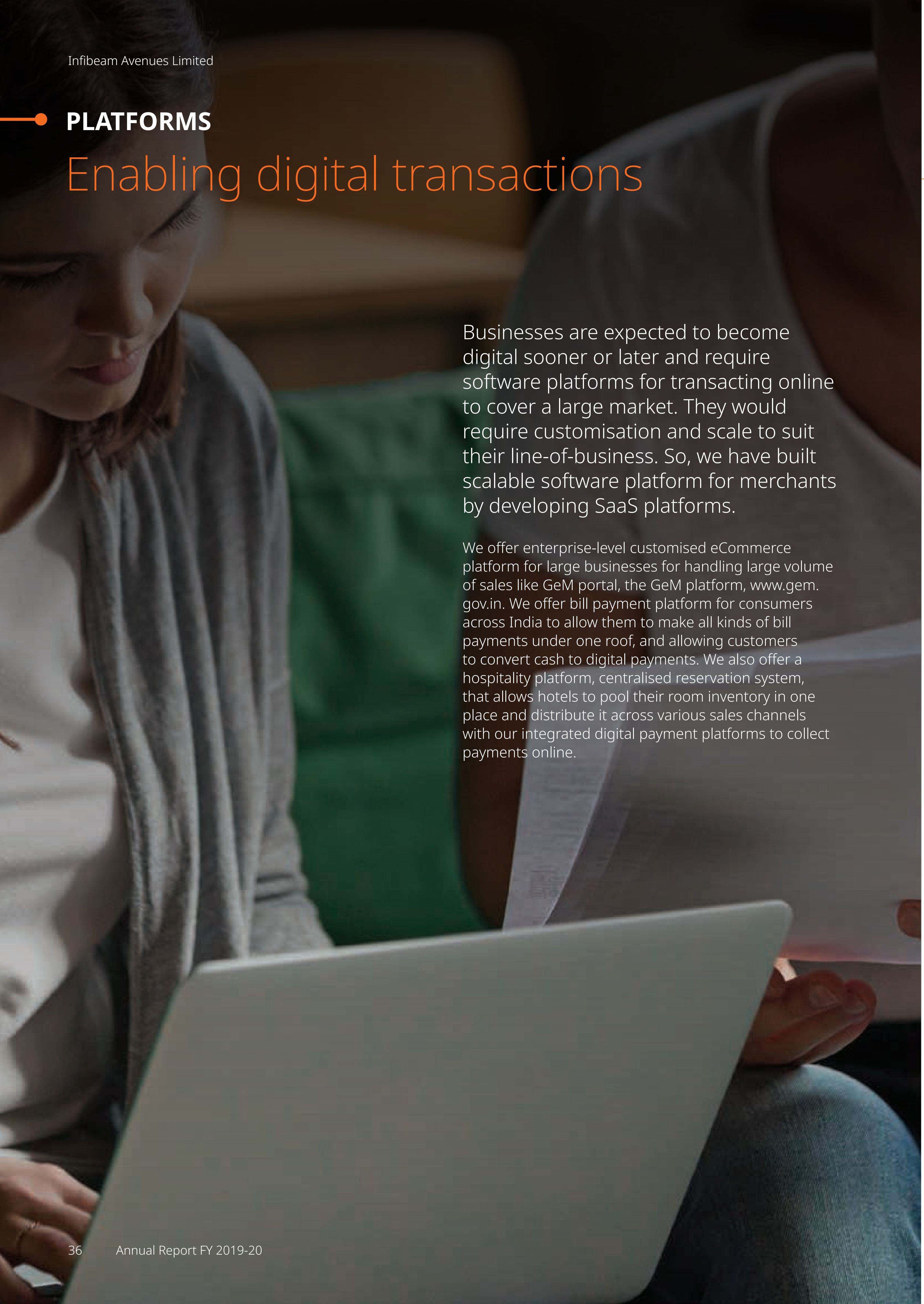
Receive countries

150+

Corridors serviced

Outlook

This business will enable us to gain and expand a strong foothold in the remittances segment globally. Our focus areas include increasing the number of send and receive countries, form tie-ups with more banks globally, deepen existing partnerships further and to provide eCommerce integration for international transactions in local markets.



PLATFORMS

Enabling digital transactions

Businesses are expected to become digital sooner or later and require software platforms for transacting online to cover a large market. They would require customisation and scale to suit their line-of-business. So, we have built scalable software platform for merchants by developing SaaS platforms.

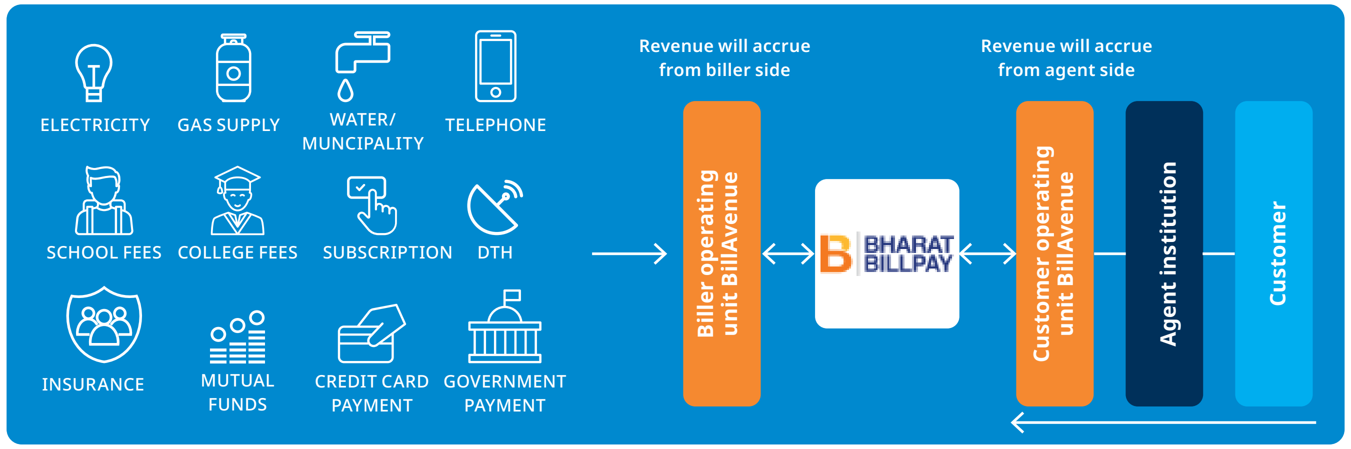
We offer enterprise-level customised eCommerce platform for large businesses for handling large volume of sales like GeM portal, the GeM platform, www.gem.gov.in. We offer bill payment platform for consumers across India to allow them to make all kinds of bill payments under one roof, and allowing customers to convert cash to digital payments. We also offer a hospitality platform, centralised reservation system, that allows hotels to pool their room inventory in one place and distribute it across various sales channels with our integrated digital payment platforms to collect payments online.

BillAvenue®

Built on the Bharat BillPay (BBPS) infrastructure, BillAvenue is a unified, interoperable, online payments platform for Indian citizens. It offers high convenience to customers across India who can pay their bills at a time and place preferred by them. It operates across multiple payment modes including cash. We are among the select, non-bank private players licensed by the RBI to operate as a Bharat Bill Payment Operating Unit (BBPOU). We are present on both the biller side and the customer side through agents spread across India. BillAvenue operates through a strong network of strategic partnerships with billers (to collect bills and digitise them) and agent institutions (to gain access to numerous customer touchpoints locally), and offers complete solutions in digital bill payments. Our distinct strategy of targeting offline customers gives us a significant edge over our competitors.

As of June 2020, we are the exclusive non-bank bill processer for all the top three gas cylinder providers in India. We cater to eight large municipal corporations across the country such as Gurugram, Ahmedabad and Palghar, among others.

BillAvenue: Process chain



The BillAvenue edge

- An efficient and cost-effective payment collection method for billers
- Provides opportunity to earn on every transaction completed through BillAvenue's nation-wide agents and billers
- Large offline presence across India
- Single and simple integration
- Provides instant payment receipts
- Guaranteed settlement cycles
- Superior customer services and support

ENABLING DIGITAL TRANSACTIONS CONTINUED

Offering bill payments in multiple categories

Existing

- Electricity
- DTH
- Telecom-Mobile Postpaid
- Gas-pipe Line
- FASTag Recharge
- Educational Fees
- LPG Gas
- Loan Repayments
- Municipal Taxes
- Water
- Cable
- Housing Society

Emerging

- Credit Card
- Hospital
- Recurring Deposits
- Mutual Fund
- Club & Associations
- Subscription Fees
- Insurance
- Metro Recharge

Our scale

200+
Live agent institutions

35+
Billers

600,000+
Active agents

2,600
Indian cities and towns

Story in numbers

75%
Growth in revenue (y-o-y)

93%
Growth in number of bills processed (y-o-y)

91%
Growth in amount of bills processed (y-o-y)

Agent institution partners

Billers onboarded by us

Opportunity landscape

India

- BBPS is expanding the number of channels through which bills can be paid and also the number of biller categories plugged into the system.
- BBPS will add nearly two million agents across India to further grow its bill payments network
- NPCI is looking to enrol agent institutions, money transfer agents, business correspondents, common service centres and cooperative banks into the central unit
- NPCI is also providing assisted payment to those who are not tech-savvy or do not have access to e-platforms

Outlook

We believe, there is immense potential to tap the offline customers which essentially covers majority of the population in India. It is our constant endeavour to garner market share in the domestic market by offering digital bill payments services to the entire addressable market comprising both online and offline customers.

ENABLING DIGITAL TRANSACTIONS CONTINUED

ResAvenue®

We offer integrated platform and payment solutions for the hospitality industry through ResAvenue. It provides a complete Central Reservation System (CRS) for hotel reservation and hotel inventory distribution across various online sales channels, integrated with our digital payment SaaS-based solution. Our fully-hosted booking engine integrates into a hotel's branded website seamlessly and enhances speed and efficiency of transactions. Some of its other functions include distribution of rates and inventory on major OTAs and third-party distribution channels, all managed through a single window.

It is capable of catering to multiple domestic and global languages. Hotel companies also get additional benefits of real-time payments through our booking engine. ResAvenue's target segment comprises 3-star and above hotels, select hotel chains in India and the UAE.

Our strengths

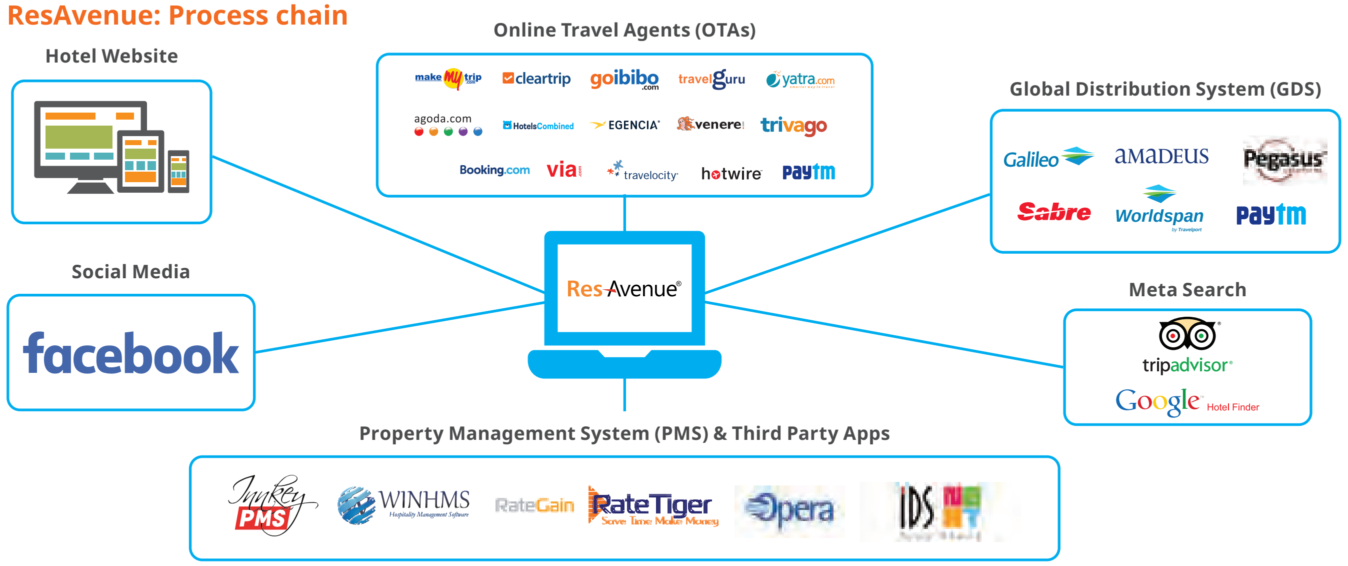
2,000+
Hotels

~1 million
Annual room nights booked

2,500+
Room nights booked everyday

Integrated
With major OTAs

ResAvenue: Process chain



Marquee clientele

Opportunity landscape

India

- Online sale of travel bookings in India is expected to increase at a healthy rate of 14.8% annually from ₹151.27 crore ($22.3 billion) in 2017 to ₹262.57 crore ($38.7 billion) by 2021
- Growing disposable income and millennial population are making the travel and hospitality sector rapidly adopt various tools, technologies and digital platforms to improve experience
- The number of hotel rooms in India is anticipated to surge to 3.33 million through 2023 from 2.72 million in December 2018

Source: Hotelivate in association with CAPA and WTTC India Initiative, FICCI KPMG report March 2018

Outlook

The hospitality industry has significant potential with many offline and fragmented properties adopting online channels for growth. A large number of room nights are expected to come online as hoteliers embrace digital channels for sales growth and as more travellers opt for online travel bookings. We plan to keep growing our clientele in India as we expect to see a large number of independent and standalone hotel properties to adopt online sales channel, and as these hotel properties plan to operate independently rather than associating with a chain. We also plan to expand our services in the Middle East region outside the UAE and also expand into other global markets.

ENABLING DIGITAL TRANSACTIONS CONTINUED

BuildaBazaar For Enterprise

Enterprise Software Platforms

eCommerce platform

We offer cloud based, end-to-end software as a service (SaaS) technology platform, allowing corporates to transact online, manage the back end (orders, inventory and logistics), make digital payments, undertake online marketing and other value added digital services. Our solution is universal and is targeted at large enterprises and governments globally. Some of our marquee enterprise clients include India's Government e-Marketplace (GeM), Saudi Telecom Company (STC), Axiom Telecom, Jumbo Electronics and Sony. Our focus is on adding more enterprise clients in India and globally.

Our eCommerce platform is a powerful, enterprise-level, web and mobile-based, highly scalable and customisable platform offered as a hosted solution for large enterprises to build scalable online business.

The SaaS model ensures the enterprise gets a robust and high-performance digital technology platform with automatic software upgrades, and hardware maintenance. It also provides enterprises with a modular, customisable and personalised eCommerce platform with payment solutions and other support.

The platform features a comprehensive Catalog Management System (CMS) to manage products, a simple web user interface to add new products to the store, manage product description, price, and the stock. It features several optimisations to enhance search engine rankings and discoverability of the store. It also allows customers to engage with the store using social sharing features like Facebook like, Twitter share, and Google+.

We have a combination of 'transaction-based' and 'licensee fee-based' revenue model for our enterprise clients.

eCommerce platform for governments

Our eCommerce platform can be customised and scaled to suit clients across industries including the government.

We were awarded an exclusive mandate competing with well-known global technology giants to offer our eCommerce software platform to the Government of India for their procurement, projected to be as high as $100 billion in terms of value.

We have a transaction-based revenue model attached to the value of goods and services procured by the government. This allows us to earn higher as the procurement value increases.

GeM aims to uplift the marginalised and underprivileged sections of the society and to be part of the growth story with a special focus on MSMEs, self-help groups, artisans, weavers, craftsmen and TRIFED into GeM. GeM is working on plans to open up the portal for private sector and later for general public as well.

GeM is also working with other banks, Trade Receivable Discounting System (TReDS), and Small Industries Development Bank of India (SIDBI) to offer bill discounting and financing of working capital to sellers on the platform to fulfil the demand.

The central government plans to launch GeM 4.0 in August 2020. It will have one of the largest uses of advanced technology in any government platform around the world. The aim is to move towards a unified public procurement system for the country and to bring the functionalities of various government e-procurement onto the GeM platform and to reduce duplicity and thus enable a unified and streamlined approach to procurement.

As a first step, the government and Indian Railways have decided to integrate the Indian Railway E-Procurement System (IREPS) with GeM to utilise GeM's full potential. Indian Railways shall procure goods and services worth ₹700 billion (~$9.4 billion) on GeM platform.

To enhance procurement on the GeM platform, GeM will onboard 9.2 million MSMEs, 2.1 million weavers, 1.8 million craftsmen and 1,000-plus self-help groups around the country and create special TRIFED categories over 5,000 products.

These initiatives will drive government's agenda of becoming an end-to-end National Public Procurement Portal for open, efficient and transparent procurement of goods and services.

It will have the potential to significantly increase the volume of transactions on the GeM portal which can result in higher revenue for us.

Marquee clientele

GeM Government e Marketplace | axiom telecom seriously unlike others | STC | JUMBO | SONY

Annual cumulative procurements on GeM

(₹ in billion)

Opportunity landscape

The Indian SaaS market is currently a bit lower than a $1 billion and growing at 36%. A NASSCOM report stated that the Indian SaaS market is estimated to reach $3.3-3.4 billion by 2022. This is in-line with a 2016 prediction from a joint report by Google and VC firm Accel, that India is likely to become a $10 billion revenue industry with an 8% share of the global SaaS by 2025 from 2.6% currently.

Outlook

A large number of merchants still use legacy systems for digital transactions which do not allow them to scale. Integrations with other digital platforms is difficult or tedious, causing errors and hampering efficiency. We believe enterprises as well as governments will shift towards building agile digital platforms that can be scaled and customised based on need and yet can integrate with other technology providers. We are already experiencing increasing traction for large-scale platform implementation both in India and internationally, and expect this trend to accelerate, going forward.

INFRASTRUCTURE

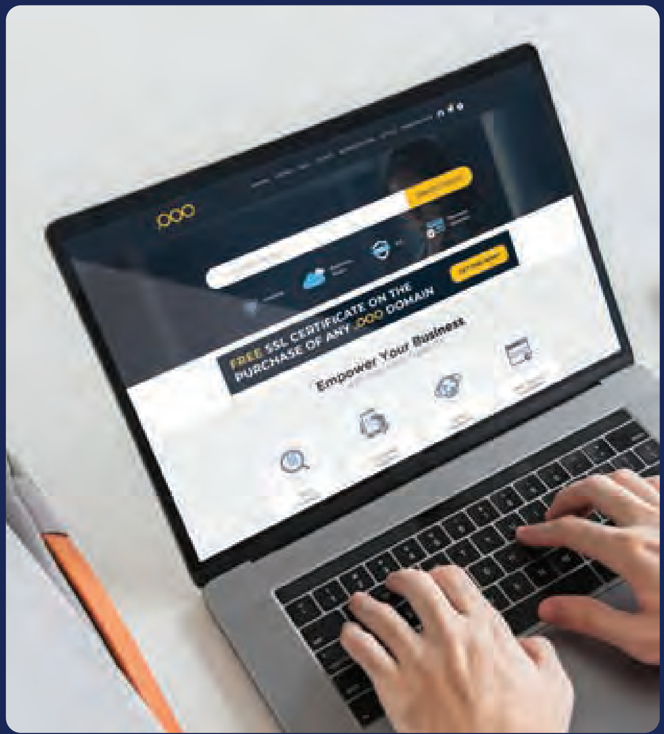
On to the next level

Data centre

We have built a state-of-the-art data centre in Gift City, Gandhinagar to run applications at super-fast speed, in a highly secured environment. It has received Tier-III design certification from the 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).

We host high compute mission critical applications that require high resiliency and high-speed processing. During FY 2019-20, we initiated migration of captive workload of platform and payments partly. We are planning a commercial launch for third parties in FY 2020-21.

We have joined hands with IBM India to develop, implement and promote blockchain capabilities on LinuxONE in India. A first of its kind in India on LinuxONE, we will deliver multiple services across industry verticals as cloud services. This platform will support multiple blockchain frameworks, including Multichain, Hyperledger Fabric and Hyperledger Sawtooth.



Dot triple O domain

We pioneered the launch of a Generic Top-Level Domain (GTLD) 'dot triple O' or '.OOO' internet registry in India. This domain is accepted by leading global domain registrars such as CentralNic (UK), BigRock (India), Super Registry (Canada), Key-System (Germany), 101domains (USA), EuroDNS (Luxembourg), Goodluck Domains (USA), Com Laude (UK), Net Technologies (China), and Reseller Club (India). They are making the '.OOO ' domain available to customers around the globe.

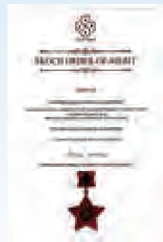
This new GTLD '.OOO' is aimed at providing alternate domain registration solutions to those who were unable to locate their brand name or business names on popular domains. Also, '.OOO' is seen as a mobile-friendly domain as it reduces usage of multiple keys on phones. The domain service allows merchants to create a unique brand name for their business and allows the company to earn recurring revenue.

The '.OOO' has a subscription-based pricing model.

Through this business, we provide superior value to our patrons, improve customer loyalty and garner higher wallet share from them.

Awards and recognition

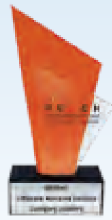
Best Digital Payment Processor
India Digital Summit 2020, by IAMAI



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

CCAvenue recognised as Superbrand 2019
Superbrands India

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



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

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

Global
Business Outlook

Most Innovative Online Payment Service Provider
Global Business Outlook Awards 2019

Game changing idea of the year
ET Retail Awards

Best Digital Payment Facilitator
Drivers of Digital (DOD) Awards 2019, by Inkspell

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

Best Online Payments Facilitator
MEA UAE Business Awards 2019

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

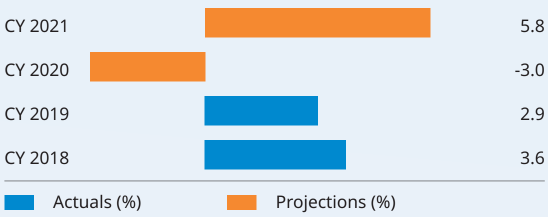
Management discussion and analysis

A. Economic environment

Global

The global economy grew at 2.9% in CY 2019, slowing down from 3.6% in CY 2018, as estimated by the International Monetary Fund (IMF). The year was marked by global trade war, tariff-related uncertainties, disruptions in the oil market and a prolonged Brexit deal. USA's economy – one among the fastest growing developed nations – grew by 2.3% driven by increased manufacturing activity, employment generation and consumer spending. Growth in China moderated but held up at 6.1%, despite escalation of trade tensions with the US. In the UK, uncertainty around Brexit led to a subdued growth of 1.4% even though public and private sector consumption grew at a reasonable pace.

Global growth (GDP) trend



(Source: World Economic Outlook, April 2020 by IMF)

The spread of the COVID-19 pandemic across the globe towards the end of CY 2020 and the ensuing lockdown of varying extent in several countries further dampened the hopes of revival in the global economy.

Outlook

Due to the emergence and rapid spread of COVID-19 across the world, economic activity came to a halt. In this stark scenario, the International Monetary Fund (IMF) estimates the global economy to decline by a steep 3% in CY 2020. Outbreak of this pandemic has disrupted manufacturing and supply chains, besides sharply curtailing the demand for crude oil and commodities. Thus, the global growth environment is expecting to be challenging in the short term. However, economic activity is likely to normalise in CY 2021 on the back of various fiscal and monetary policy reforms, leading to an improvement in GDP growth.

India

Though India continues to be one of the most attractive economies of the world, its growth rate during FY 2019-20 fell to 4.2% from 6.8% in FY 2018-19. Slower growth in rural income, lowered domestic demand and drying up of affordable credit from Non-Banking Financial Corporations (NBFCs) were the major reasons behind this de-growth. Besides, diminishing demand in the exports markets also dragged down capacity utilisation of industries and dried up opportunities for fresh investments.

The government also undertook various proactive initiatives such as reduction of corporate tax rates and credit guarantee for financially sound NBFCs. The Reserve Bank of India (RBI) undertook monetary measures such as reduction of repo rate to the tune of 185 basis points. These steps have eased the situation to some extent and the economy began showing early signs of recovery and growth in the second half of the financial year.

However, the sudden outbreak of the pandemic in the fourth quarter had a severe impact on the economy. The government's announcement of a relief package worth ₹ 20 Lakh crores (roughly 10% of the GDP) would help revive the economy, albeit in a gradual manner. With these measures and the resumption of economic activity, the IMF estimates India's GDP growth rate for FY 2020-21 at 1.9%.

Further, the government and the RBI are persevering to push the country ahead towards the digital. The pandemic has accelerated the pace of digitalisation including online shopping, online payments and so on. As communities and the economy emerge from the pandemic, the new consumer mindset is forcing merchants across the country to shift to online and cash-free transactions. They will be essential for building the business and ensuring customer loyalty now and in future.

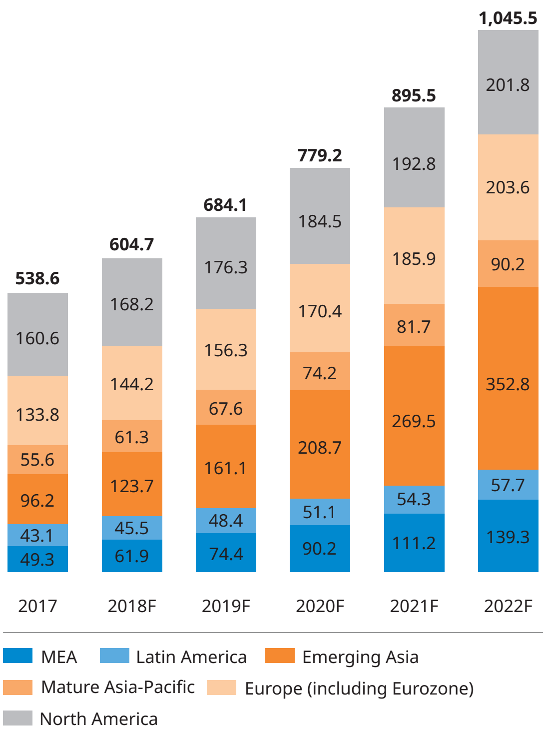
B. Industry insights

Overview of the digital payments industry

Digital transactions are being preferred by consumers all over the world for their higher speed, convenience, cost benefits and the increasing number of options they provide. To capture broader markets and achieve higher growth, businesses are going digital. The banking industry also has begun adopting digital technology, which can easily be accessed through smart phones, to broaden its portfolio of offerings to businesses and individual consumers. The government is also embracing the digital medium, not only for bringing in transparency and accountability, but also for enhancing its productivity and savings. Moreover, the significant rise in the number of startups with unique ideas across various sectors, catering to a wider population base via the internet and mobile mediums, augur well for the growth of the digital payments industry.

Globally, the number of non-cash transactions, which stood at 539 billion in FY 2016-17 are expected to reach 1,046 billion by 2022. Besides growing in volume, these transactions are growing aggressively in terms of value, with the global digital payments market expected to touch $10.07 trillion by 2026 from the $3.41 trillion in 2018, reflecting a CAGR growth of 14.3% from 2019-2026. Within the digital payments industry, the mobile banking segment is likely to gain significant market, with an estimated CAGR of 27.3% by 2026. With the eCommerce segment slated to grow by 18.9% between 2017 and 2026, the outlook for the digital payments industry remains strong, sustained and value accretive (Source: Capgemini, World Payments Report 2019).

Growing preference for non-cash transactions



Source: Capgemini World Payments Report 2019

India

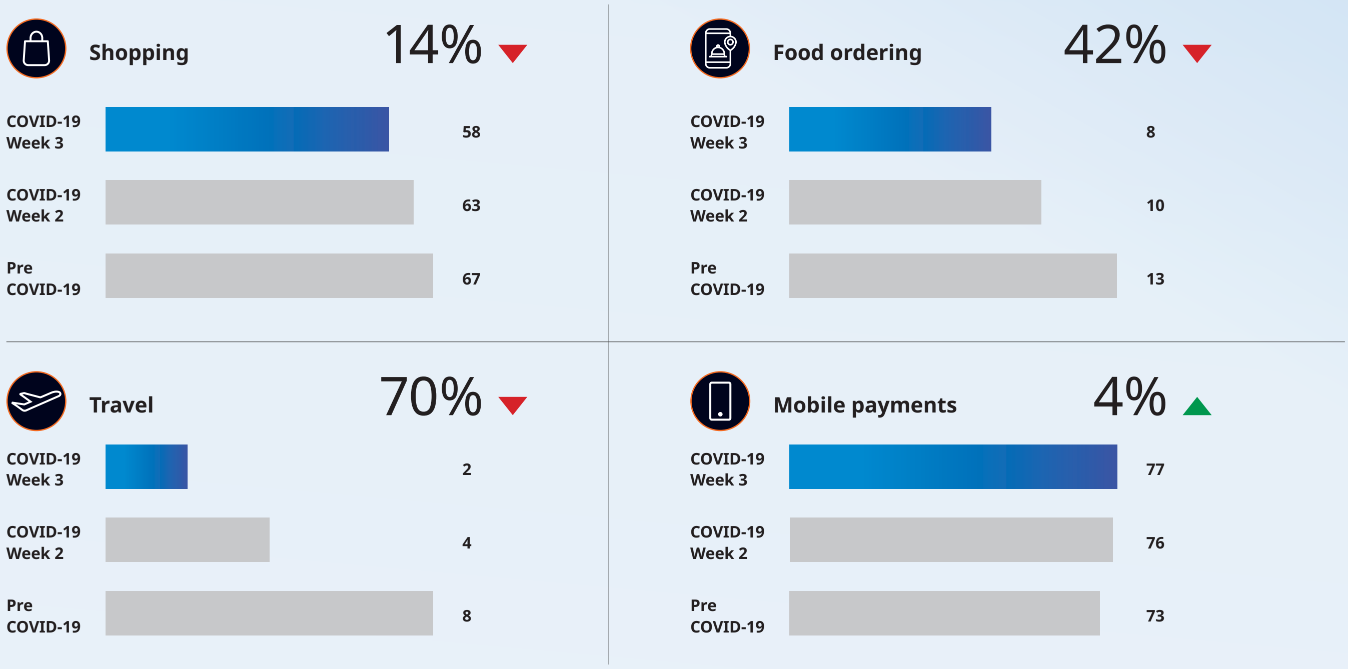
In recent years, digital payment transactions have grown at a tremendous pace in India. Secular trends such as rising internet penetration, growing number of smartphones, dramatic fall in data usage charges, a booming eCommerce sector, innovation in digital payments in India around safe and instant transfer through UPI and IMPS as well as the availability of a vast array of digital payment options are some factors catalysing the growth of digital payments in India. A proactive approach adopted by the government and the banking regulator towards transitioning to a less-cash economy is also a prominent enabler for digital payments in India.

As per data from the RBI's Payment System Indicator and Government of India's Digidhan Dashboard, there have been 3 billion monthly digital payments transactions, 3x in the last two years, in India. Digital payments volume has expanded at 56% CAGR from December 2015 to December 2019 and digital value has expanded at 30% CAGR. Mobile banking has seen 50-75% growth in volume and value of digital transactions. Digital payments industry is projected to reach $1 trillion by FY 2020-21 from $600 billion in FY 2019-20 if the FY 2019-20 growth rate continues in FY 2020-21. The digital payments value in India is expected to more than double its worth of ₹ 1,630 trillion in FY 2018-19 to touch ₹ 4,055 trillion in FY 2023-24, translating into a five-year CAGR of 20% (Source: CRISIL Research, 2019). As per BCG Google report on Digital Payments and our estimations. The Person-to-Merchant (P2M) segment has the potential to more than double by FY 2024-25 to $500 billion due to strong tailwinds from Digital India, a flagship programme of the Government of India, with a vision to transform India into a digitally empowered society. The Ministry of Electronics & Information Technology (MeitY) is working on strengthening the digital payment infrastructure and creating awareness through promotions of digital payments. Besides, with India being one of the fastest growing Fintech markets in the world, digital payments would evolve and bring in greater speed, convenience and security, thereby enhancing their value over time.

Apart from the ongoing fast-paced growth in the digital space, the pandemic has expedited the shift towards digital payments, increased digital channel adoption, and spurred consumer interest in using safer means of transacting through digital channels. Indians are increasingly adopting digital payment methods, including those in the older age groups. India is currently at the top in usage of digital payments and will retain its position in the coming six months. The usage of digital payments among Indian consumers (across age groups) in the current scenario was the highest at 75%, followed by China (63%) and Italy (49%), whereas the global average was lower at 45%. Also, the usage of digital payments among Indian consumers is likely to be the highest (78%) in the next six months, followed by China (63%) and Italy (50%) (Source: Capgemini Research Institute, Consumer Behavior Survey, April 4 -8, 2020).

Mobile payments gained momentum during the COVID-19 outbreak

% users per week



Source: BARC, Nielson

USA

USA, being the technology hub of the world, is one of the largest eCommerce and digital payments markets. Its total eCommerce sales for 2019 was over $600 billion, an increase of 15% over 2018. Its share of eCommerce sales in total sales stood at almost 10% in 2018 and increased to 11% in 2019 (Source: The Census Bureau of the Department of Commerce, USA.

Globally, North America is expected to contribute towards the highest market presence in the digital payments industry with a share of 33.6%, growing at a CAGR of 12.8% by 2026, due to its economic predominance and the ease of going cashless (Source: Marketysers Global Consulting LLP, July 2019).

Gulf Cooperation Council (GCC) economies

Digital transformation continues to play a fundamental role in shaping the GCC economies, with the Kingdom of Saudi Arabia (KSA) at the forefront. The GCC's two largest economies, the KSA and the UAE, together accounted for approximately two-thirds of regional GDP in 2018. KSA has a population of 33.3 million (60% of the total population of GCC) and GDP of $702 billion (51% of GCC region's GDP as in 2018) (Sources: Credit Suisse; Oxford Economics). Moreover, shifting user payment preferences, eCommerce growth and government push are expected to drive non-cash transaction growth in the Middle East and Africa (MEA) region as well, at a growth rate of 21% from 2017-22 (Source: Marketysers Global Consulting LLP, July 2019).

As a result of the growing digital adoption, GCC governments are launching national policies and visions in sync with the transformation – Saudi Vision 2030, the New Kuwait Vision 2035, the Qatar National Vision 2030 and the UAE Vision 2021. In addition, they are placing digital transformation programmes at the core of their national plans – the KSA's National Transformation Plan 2020, the UAE's National Agenda 2021 and Qatar's National Development Strategy 2017–2022.

These near-term plans aim to achieve significant modernisation and accelerate economic diversification.

The UAE consumer is a proactive and early adopter of technology, partly due to demographic factors. With youth below 25 years of age comprising 34% of the population, the country has become one of the major drivers of adoption of digital payment methods. Further, UAE residents are among the top 10 globally when it comes to spending time on the internet and social media on any device, which reflects their strong inclination towards online shopping and payment. It is important to note that UAE consumer appetite for eCommerce is second only to China (Source: 2019.06.01_Visa whitepaper UAE).

The KSA is expected to be the next major market for digital payment penetration. User penetration in 2019 stood at 66% and is expected to hit 73% by 2023. The Average Revenue per User (ARPU) is estimated to have reached $315 in 2019. Importantly, the Saudi Arabian Monetary Authority (SAMA) has also been focusing on boosting digital transactions and eCommerce, which is estimated to become a $22 billion market by 2022 (Source: EY, October 2019, Unlocking the digital economy potential of the Kingdom of Saudi Arabia).

C. Review of the business

Operational performance review

- We had over one million merchants across our fintech portfolio
- The total number of payments processed (payments volume) were 147 million, up 28% y-o-y, and the total value of payments processed (payments value) was ₹ 621,510 million, up 26% y-o-y, in FY 2019-20, owing to higher transactions from existing merchants and strong addition of new clients, including few large merchants and those from the education and utilities sectors
- In the UAE, payment volume grew 44% y-o-y and payments value grew 40% y-o-y
- BillAvenue, the bill payments platform, recorded a volume and value growth of 93% and 91% y-o-y, respectively
- Total number of room nights sold through our platform ResAvenue, increased 19%, while the booking amount increased 10% y-o-y
- Value of procurement on platform provided to the government grew over 50%, with a cumulative value of orders processed on the platform exceeding ₹ 500 billion since the contract was awarded in September 2017

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

There are no standards that are issued but not yet effective on March 31, 2020.

Results of Operations (consolidated)

Revenue from operations

Revenue from operations are sale of services. Service sales represents Online Digital Payments and Checkout webservices, e-Commerce related webservices. 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 services online and accept payments in real time. A comprehensive suite of e-Commerce related webservices comprises Enterprise Platform for large enterprises and government, domain registry, technical analysis and testing of software web services, digital advertising and infrastructure related services.

Net sales information is as follows (in millions):

Revenue from operations	Year ended March 31	
	2020	**2019**
Sale of services	6,480.92	9,529.74
Sale of products	-	2,026.08
Other operating income	-	34.87
Consolidated Revenue	**6,480.92**	**11,590.68**

Net revenue from operations on consolidated basis was ₹ 6,480.92 million as against ₹ 11,590.68 million in the previous year. However, excluding divestment of non-core businesses in FY19, the Company recorded growth of revenue in FY 2020, up 10% YoY, due to growth in Digital Payments business (Payments) in both, domestic and international operations and strong engagements across Enterprise Software Platforms businesses (Platforms). In Platforms business also, achieved strong double-digit revenue growth compared to previous year. The Payments business achieved growth during the year FY20 compared to the previous year despite few adverse effects. The Payments Business recorded strong volume of 147 million, up 28% YoY and recorded highest ever quarterly volume of 40 million in Q4 FY20, up 39% YoY. During the year, upgrades and additional requirements by few subscription-based enterprise clients and increase in volumes on GeM portal (transaction-based client) led to the growth.

Operating expenses (Consolidated):

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

Operating expenses	Year ended March 31	
	2020	**2019**
Payment gateway processing charges	3,963.80	3,928.69
Cost of sales	-	2,025.76
Employee benefits expense	623.24	735.98
Finance costs	43.48	64.50
Depreciation and Amortisation expense	913.53	822.08
Other expenses	361.07	3,138.39
Total expenses	**5,905.11**	**10715.39**

Payment gateway processing charges:

It primarily consists of 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 ₹ 3,964 million in FY 2020 as against ₹ 3,929 million in FY 2019.

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, technical analysis and testing of software web services and platform development for new and existing 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 ₹ 623 million in FY 2020 as against ₹ 736 million in FY 2019 resulting into decrease in absolute value by ₹ 112 million though there is an increase of 3.27% of consolidated revenue. This increase in % is mainly due to lower sales revenue compared to previous year in view of divestment of non-core businesses during the year.

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 almost same as % of total revenue.

Depreciation and Amortisation

There is an increase of 7% in Depreciation and Amortisation as a % of total revenue as compared to previous year primarily due to addition of tangible as well as 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 a decrease of 22% in advertising expenses as a % of total revenue as compared to previous year primarily due to divestment of the business where the advertisement expenses was relevant and resulting in to hardly any spends in physical media properties including newspaper, radio as well as online advertisement and other promotional activities during the current year compared to previous year.

General and Administrative

The decrease in general and administrative expenses cost except advertisement is primarily due to divestment of non-core businesses during the year and corresponding decrease in few expenses like Rent, power & fuel, legal and professional services, travelling, office and corresponding decrease in allowances for doubtful debts and bad debt and balances written off.

Exceptional Items

Exceptional item was fair value gain of ₹ 82.76 million during FY 2020 which resulted from Ind AS impact on fair value of investment. These are exceptional since these are not regular business activity and one of odd transactions.

Profit

Profit before tax was ₹ 1,293 million for FY 2020 compared to ₹ 1,535 million. Similarly, Profit after tax for the year was ₹ 1,080.50 million against ₹ 1,263.22 million in the previous year. However, excluding divestment of non-core businesses in FY 2020, the Company's EBITDA grew 90% year-over-year in FY20 i.e. ₹ 2,167 million from ₹ 1,143 million in FY19 and Profit after tax grew by 128% i.e. ₹ 998 million from ₹ 438 million in FY 19. This directly reflects the Company's discipline in allocating resources to key strategic growth areas while optimizing costs and improving efficiency.

The Company has evaluated the impact of this pandemic on its business operations, liquidity and financial position and based on management's review of current indicators and economic conditions there is no material impact on its financial results as at March 31, 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions. The Company, however, in the interest of all stakeholders is following highest level of corporate governance.

We are hopeful that the overall digital transactions in the economy will increase as the economy gradually opens, mitigating the pandemic challenges. Our priority will remain to safeguard the health and well-being of our employees and the community we serve and stay with, while continuing our business operations.

Liquidity and Capital Resources

Our principal sources of liquidity are cash flows generated from operations and our cash and cash equivalents were ₹ 913.60 million and ₹ 1,317.18 million as of 31, 2020 and 2019 respectively.

Our operating cash flows result primarily from commission/Web service charges received from merchants, banks (commission and web hosting), agents (wallet sales), commission for e-commerce technology built on Enterprise Platform offset by cash payments we make for services, employee compensation, payment processing and related transaction costs, operating leases, etc. Commission/Web service charges received from our customers and other activities generally corresponds to our net sales.

Cash provided by operating activities was ₹ 223.86 million in year ended March 31, 2020. The decrease in operating cash flow in March 31, 2020, compared to the comparable prior year period, was primarily due to the divestment of non-core businesses during the year.

Cash utilised in investing activities corresponds with cash utilised in capital expenditures, primarily due to investment in GIFT City building, Computer Software and Equipment's, Components for Data Centre build out, and other tangible assets. Cash utilised in investing activities was ₹ (366.55) million in FY 2020. This primarily reflects additional investments in support of continued business growth due to investments in technology infrastructure, and additional capacity to support our operations.

Cash utilised for financing activities was ₹ (260.90) million and ₹ (543.22) million in FY 2020 and 2019 respectively. Cash outflows from financing activities is primarily result from repayment made towards borrowing, payment of Interest on borrowing and distribution of dividend along with dividend distribution tax.

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, 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.

Key Financial Ratios (Consolidated)

Ratios	FY 2019	FY 2020
Return on Net Worth*	11.9 %	9.2%
Return on Invested Capital*	10.1%	10.4%
Debtors Turnover days	21.3	23.0
Interest Coverage Ratio$	17.5x	28.8x
Current Ratio	1.3x	1.7x
Debt Equity Ratio*	0.04x	0.02x
Operating Profit (EBIT) Margin	9.7%	19.3%
Net Profit Margin	10.9%	16.7%
Free Cash Flow (FCF) Per Share#	1.7	2.8
Cash Conversion Ratio^	99%	133%

*Net of goodwill

$EBIT / Interest expense

#FCF = EBITDA - Capex net of IPO money utilised

^EBITDA/Cash From Operation before WC change

Note: Ratios of FY20 are not comparable with FY19 due to divestment of non-core businesses in FY19

D. Risk factors

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

1. We face intense competition in our business

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

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

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

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

2. **The payment processing industry is intensely competitive in India**

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

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

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

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

   - Unfavorable changes in regulation;
   - Our ability to offer our web services on favourable terms;
   - The success of our service line and 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, eCommerce, 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 and competitive risks**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16. Proper functioning of payments solutions and platform is essential

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

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

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

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

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

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

E. Internal control systems and their adequacy

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

Some significant features of the internal control systems are:

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

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

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

F. Human resources

We have always believed that employees are the ultimate force behind our Company's success. We consider it our responsibility to provide our people a favourable, secured and supporting work environment. At the same time, we have in place a well-defined Code of Conduct and ensure that ethical business practices are followed at all levels of the organisation. To maintain a constant connect between the organisational goals and employee performance, we have put in place a fair and objective performance management system. Our appraisal mechanisms help in identifying the best performing employees and rewarding them accordingly in terms of the best-in-class compensation packages. To sharpen the existing skills and for the overall development of our employees, we conduct training programmes from time to time. This also helps us in identifying the loopholes in our existing talent and the taking necessary steps to address them in the best manner possible. It is because of this consistent involvement with our employees that we have been able to maintain our position as one of the most sought-after employers. As on March 31, 2020, we had an employee strength of 694 people.

Corporate Information

BOARD OF DIRECTORS:

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

AUDIT COMMITTEE:

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

NOMINATION AND REMUNERATION COMMITTEE:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

RISK MANAGEMENT COMMITTEE:

Mr. Vishal Mehta	Chairman
Mr. Ajit Mehta	Member
Mr. Hiren Padhya	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

SECRETARIAL AUDITORS:

M/s. SPANJ & Associates,
Company Secretaries

BANKERS:

ICICI Bank Limited
HDFC Bank Limited

REGISTRARS & SHARE:

Link Intime India Private Limited
TRANSFER AGENTS 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

Notice

NOTICE is hereby given that the **10th ANNUAL GENERAL MEETING** of the members of **INFIBEAM AVENUES LIMITED** ***(Formerly known as Infibeam Incorporation Limited)*** will be held on Wednesday, September 30, 2020 at 09.30 a.m. IST through video conferencing ("VC") or Other Audio Video Means ("OAVM") 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, 2020, 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, 2020, together with the report of Auditors thereon.
2. To appoint a Director in place of Mr. Vishwas Patel (DIN: 00934823), who retires by rotation and being eligible, offers himself for re appointment.

SPECIAL BUSINESS:

3. 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 in one or more tranches during the Financial Year 2020-21, for an amount upto ₹ 10 Crore (Rupees Ten Crore Only) to DRC Systems India 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** for the purpose of giving effect to the aforesaid resolution the Board of Directors of the Company be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable for the aforesaid Loan, Investment, Corporate Guarantee and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary, desirable or expedient and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of 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: September 02, 2020

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 the Special business set out at item of the accompanying Notice is annexed herewith.

2. 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.

3. In view of the massive outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and Security and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("Circulars"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM). In compliance with the Circulars, the AGM is being held through VC/OAVM. Hence, Members can participate in the AGM through VC only.

4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM.

6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at ir@ia.ooo.

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

8. In line with the aforesaid Circulars, the Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.ia.ooo. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of Link Intime (agency for providing the Remote e-Voting facility) i.e. https://instavote.linkintime.co.in.

9. The Register of members and share transfer books of the Company will remain closed from Wednesday, September 23, 2020 to Wednesday, September 30, 2020 (both days inclusive) for the purpose of AGM.

10. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

11. To support the "Green Initiative", 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 Private Limited. In addition, members holding shares in the demat form are requested to contact their respective Depository Participant and register their email id and bank account for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

12. 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.

13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. 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 Private Limited, 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.

14. 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 Private Limited. 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.

15. 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.

16. 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.

17. 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.

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

19. At 8th AGM held on September 29, 2018 the Members approved the appointment of M/s. Shah & Taparia, Chartered Accountant (Firm Registration No. – 10946W), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 13th AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

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

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

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

21. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

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

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 Link Intime India Private Limited ('Link Intime').

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

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

D. The remote e-voting period commences at 9.00 a.m. on Saturday, September 26, 2020 and ends at 5:00 p.m. on Tuesday, September 29, 2020. 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. Wednesday, September 23, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime 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.

24. Remote e-voting Instructions for Shareholders:

a) The shareholders should log on to the e-voting website of LIIPL: https://instavote.linkintime.co.in.

b) Click on "Login" tab, available under 'Shareholders' section.

c) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

d) Your User ID details are given below:

   a) Shareholders holding shares in demat account with CDSL: 16 digits beneficiary ID,

   b) Shareholders holding shares in demat account with NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c) Shareholders holding shares in Physical Form should enter Event No + Folio Number registered with the Company.

e) Your Password details are given below:

If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

i. Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders 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 provided to you, if applicable.
Date of Birth (DOB) / Date of Incorporation (DOI)	Enter the DOB / DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number

- Shareholders holding shares in CDSL demat account shall provide either DOB / DOI or Bank Account Number
- Shareholders/ members holding shares in NSDL demat account shall provide Bank Account Number
- Shareholders/ members holding shares in physical form but have not recorded DOB / DOI or Bank Account Number, shall provide their Folio number in Bank Account Number field above

ii. If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

iii. If Shareholders holding shares in Demat Form or Physical Form have forgotten password then Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Bank Account Number etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

iv. The password is to be used by DEMAT shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

v. For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

vi. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f) After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the Company, you choose to vote.

g) On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/ Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.

h) If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

i) After selecting the appropriate option i.e. "Favour/ Against" as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

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

k) You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

l) During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

m) Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

n) Note for Non–Individual Shareholders and Custodians

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

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

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

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

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

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

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

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

c) Facility of joining the AGM through VC shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

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

e) General Information:

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

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

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

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

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

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

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

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

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

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

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

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

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

28. General Instructions:

- M/s. SPANJ & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
- The results declared along with the Scrutinizers' Report shall be placed on the Company's website www.ia.ooo and on the website of Link Intime i.e. https://instavote.linkintime.co.in and the results shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES

ITEM: 3

Pursuant to Section 185 of the Companies Act 2013, 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 Company is currently in the phase of growth by itself and through its subsidiaries. In order to enable the Company and its subsidiary to channelize its resources for expansion and explore areas for future Business opportunities and growth plans, the Board of Directors hereby proposes to grant loans or provide guarantee/security to these subsidiaries in one or more tranches, during the Financial Year 2020-21 up to ₹ 10 Crore (Rupees Ten crore) to DRC Systems India Limited and up to ₹ 5 Crore (Rupees Five Crore) to Infibeam Digital Entertainment Private Limited for their business growth and principal business activities.

The Board of Directors of the Company recommend the Resolution set out in the accompanying Notice for the approval of the Members of the Company by way of Special Resolution.

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

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

Date: September 02, 2020

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. Vishwas Patel**
DIN	00934823
Date of Birth	March 2, 1969
Date of appointment on the Board	February 14, 2018
Qualifications	Bachelor of Law (LLB) degree from Mumbai University
Experience & Expertise in specific functional areas	Mr. Vishwas Patel is the founder of the payment gateway brand, CCAvenue, founded in the year 2001. CCAvenue is among the top 3 online payment gateway platforms in India and ranks number 2 in the UAE among non-bank private digital payment companies. CCAvenue provides payment processing services to nearly eight hundred thousand e-Merchants with operations across India, the UAE, Saudi Arabia and in the USA. CCAvenue is a PCI DSS 3.2.1 compliant payment gateway platform, offering more than 200 online payment options for merchants to accept money from consumers comprising net-banking with more than 60 banks including international banks, all types of Credit Cards, Debit Cards, Digital Wallets, EMI facility and UPI. It processes payments for majority of the top merchants in India. Mr. Patel has also launched other SaaS solutions like ResAvenue.com, a Hospitality Solution, serving over 2,000 hotels and resorts in India and the UAE and BillAvenue.com, a BBPS based bill payment engine serving millions of Indians through nearly 6,00,000 agents spread across 2,600 cities and towns of India. He has studied law and was a practicing counsel on the original side of the Bombay High Court. He is currently the Chairman of the Payments Council of India, the primary industry body representing all the digital payments providers in India. PCI works closely with the regulators i.e. Reserve Bank of India (RBI), Finance Ministry and any similar government, departments, bodies or Institution to make 'India a less cash society'.
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 (2019-20)	05
Names of other Companies in which the Director holds Directorship as on 31.03.2020	1. Mangiamo Hospitality Private Limited 2. Avenues Enterprises Private Limited 3. Avenues Payments India Private Limited 4. Avenues Infinite Private Limited
Names of Committees of other listed Companies in which the Director holds Chairmanship/ Membership as on 31.03.2020	Nil
Shareholding in the Company as on 31.03.2020	7,65,95,662 Equity Shares of ₹ 1/- each
Relationships between Directors, Key Managerial Personnel and Managers of the Company	Nil

Director's Report

Dear Members,

Your Directors are pleased to present the 10th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended on March 31, 2020.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2020 is summarised below:

(₹ in million)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	5,863.58	5,446.56	6,480.92	11,590.68
Other Income	90.30	92.42	124.25	111.28
Total Income	**5,953.88**	**5,538.98**	**6,605.17**	**11,701.96**
Total Expenditure other than Finance Cost, Depreciation and Tax	4,563.31	4,551.11	4,948.11	9,828.81
Operating Profit / (Loss) before Finance Cost, Depreciation, Tax and Exceptional item	**1,390.57**	**987.87**	**1,657.06**	**1,873.15**
Less: Finance Cost	42.19	46.81	43.48	64.50
Less: Depreciation and amortization expenses	749.81	464.17	913.53	822.08
Profit / (Loss) before Tax and Exceptional item	**598.57**	**476.89**	**700.05**	**986.57**
Add: Exceptional Items	-	140.00	82.76	471.81
Profit / (Loss) before Tax	**598.57**	**616.89**	**782.81**	**1,458.37**
Less: Tax	212.56	227.69	212.21	271.47
Profit before share in profit/(Loss) in associate	**386.01**	**389.20**	**570.60**	**1,186.90**
Share of profit / (Loss) of Associate	-	-	509.90	76.32
Profit for the period	**386.01**	**389.20**	**1,080.50**	**1,263.22**
Other comprehensive income/(Expenses) [net of tax]				
Items that will not be reclassified to Profit or loss, net of tax	(1.17)	(4.28)	(0.73)	1.41
Total comprehensive income/(Expenses) for the period	**384.84**	**384.92**	**1,079.77**	**1,264.63**
Add: Balance brought forward from previous year	229.16	(75.79)	1,633.30	442.27
Add / (Less): on account of Consolidation Adjustment	-	-	-	-
Add / (Less): Share of minority	-	-	(0.84)	6.37
Profit available for appropriation	**614.00**	**309.13**	**2,712.24**	**1,713.27**
Transfer to General Reserve	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-
Excess Losses pertaining to minority	-	-	-	-
Dividend on Equity Shares	(65.39)	(66.11)	(65.39)	(66.11)
Tax on Dividend	(14.06)	(13.86)	(14.06)	(13.86)
Transition impact on account of adoption of Ind AS 116 "Leases"	(0.70)	-	(0.70)	-
Balance carried over to Balance Sheet	**533.85**	**229.16**	**2,632.09**	**1,633.30**

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 2019-20, net revenue from operations on standalone basis increased to ₹ 5,863.58 Million as against ₹ 5,446.56 Million in the previous year – a growth of 8% mainly due to strong growth in Payments business despite, MDR on UPI and RuPay reduced to zero by Govt. from 1st Jan 2020, lockdown in last week of March 2020 on account of Covid-19 significantly affecting businesses, cancellations and refunds in travel and hospitality industry on account of lockdown and similarly, growth in Enterprise Software Platforms business on account of growth in transaction based clients and few fixed price clients.

EBITDA margin at 23.7% in FY20 from 18.1% in FY19 on account of operating leverage achieved on growing scale which was also reflected in expenses as a percentage to revenue from operations decreased to 78% (₹ 4,563.31 Million) as against 84% (₹ 4,551.11 Million) in the previous year. The Company has maintained the Profit for the period is ₹ 386.01 Million against ₹ 389.20 Million in the previous year.

Net revenue from operations on consolidated basis was ₹ 6,480.92 Million as against ₹ 11,590.68 Million in the previous year. However, excluding divestment of non-core businesses in FY19, the Company recorded growth of revenue in FY 2020, up 10% YoY, due to strong engagements across Enterprise Software Platforms businesses (Platforms) and growth in Digital Payments business (Payments) in both, domestic and international operations. In Platforms business also, achieved strong double-digit revenue growth compared to previous year. During the year, upgrades and additional requirements by few subscription-based enterprise clients and increase in volumes on GeM portal (transaction-based client) led to the growth.

The Profit for the year is ₹ 1,080.50 Million against ₹ 1,263.22 Million in the previous year. However, excluding divestment of non-core businesses in FY19, the Company's EBITDA grew 90% year-over-year in FY20 i.e. ₹ 2,167 Mn from ₹ 1,143 Mn in FY19 and Profit after tax grew by 128% i.e. ₹ 998 Mn from ₹ 438 Mn in FY19. This directly reflects the Company's discipline in allocating resources to key strategic growth areas while optimizing costs and improving efficiency.

3. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2019-20 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. IMPACT OF COVID-19

The Covid-19 pandemic has resulted in nationwide lockdown from the last week of March, 2020. There were also restrictions of varying extent across larger part of the world, due to the Covid-19 pandemic. This impacted the business operations of the Company significantly. Upon receipt of permissions from the authorities, the Company resumed operations with limited staff from last week of April, 2020 at Registered office and from mid-May at Delhi and Bengaluru office by adhering to Government Guidelines and simultaneously taken steps like sanitization, social distancing, regular fumigation of offices, mandatory mask wearing, thermal check of temperature and maintaining proper hygiene for avoiding any infection due to Covid-19.

The Company has implemented safety systems with appropriate training to staff and also arranged the facility of stretching and floor exercise for employees to boost their immunity. The Company is supporting various Government Initiatives to fight the pandemic.

Regarding impact of Covid-19 on operations of the Company based on evaluation, there is no material impact as at March 31, 2020, however, the Company experienced dip in the business in month of April due to complete lockdown. Although, a positive trend has been observed in the months of May and June, 2020.

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

5. DIVIDEND

During the year under review, the Company has declared and paid to shareholders, an interim dividend of ₹ 0.10 per share of ₹ 1/-each fully paid up in the month of October, 2019. The Board of Directors do not recommend further dividend and the interim dividend be deemed to be final dividend.

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.

6. TRANSFER TO RESERVES

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

7. 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.

8. SUBSIDIARIES & ASSOCIATE COMPANIES

Pursuant to Section 129 (3) of the Companies Act, 2013 read with rules framed thereunder, pursuant to Regulation 33 of the SEBI Listing Regulations and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries and associates.

A separate statement containing the salient features of the financial performance of subsidiaries and associate for the Financial Year 2019-20 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. The Company does not have a material subsidiary.

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. These documents shall also be made available for inspection by any Member of the Company at the Registered Office of the Company during business hours between 11.00 A.M. to 2.00 P.M. on all working days of the Company (Except Saturday, Sundays and Public holiday) up to the date of the Annual General Meeting.

After the closure of financial year 2019-20, the following changes have taken place in subsidiary / associates:

- Your Company has increased its stake in Instant Global Paytech Private Limited, the erstwhile Associate Company from 48% to 52.38%, accordingly it became a subsidiary of your Company with effect from May 06, 2020.
- Your Company has acquired 100% stake in AI Fintech, Inc, a Company formed and registered in USA, accordingly it became a Wholly Owned Subsidiary Company w.e.f. April 20, 2020.
- Your Company has acquired 100% stake in Cardpay Technologies Private Limited, a Company incorporated under Companies Act, 2013, accordingly it became a Wholly Owned Subsidiary of your Company with effect from June 5, 2020.

9. 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.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provision of Section 149 of the Companies Act, 2013, Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) and Mr. Roopkishan Sohanlal Dave (DIN: 02800417) were re-appointed as Independent Directors for a second term of five years with effect from August 25, 2019 and Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) was re-appointed as Independent Director for a second term of five years with effect from March 20, 2020 by passing a special resolution at the Annual General Meeting of the Company held on July 30, 2019.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vishwas Patel (DIN: 00934823) is liable to retire by rotation and being eligible offers himself for re-appointment. The Board recommends the re-appointment of director for your approval.

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.

Mr. Malav Mehta (DIN: 01234736) has resigned as Non-Executive Director of the Company with effect from June 05, 2020 due to health reasons. The Board places on record its sincere appreciation for his valuable contribution and efforts towards the growth and development of the Company during his tenure on the Board of the Company.

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).

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

The Independent Directors of your Company have registered on the Independent Directors' Databank as per the requirements of Section 149 of the Companies Act, 2013 and the applicable rules thereto. However, with respect to the proficiency test, the Independent Directors have a timeline of one year as per the applicable provisions, from the date of registration on the Independent Directors' Databank for taking the proficiency test and none of the Directors have exceeded the said period of one year from the date of registration as on the date of this Report.

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.

11. 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, 2020 and of the profit of the Company for the year ended on March 31, 2020;

(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.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-20, 09 (nine) Board meetings were held. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

13. 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.

14. 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 2019-20 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.

15. 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.

16. 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.

17. 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.

18. CHANGE IN SHARE CAPITAL

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

- 3,02,750 Equity Shares of ₹ 1/- each on October 01, 2019, 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 ₹ 663.69 million.
- 10,25,270 Equity Shares of ₹ 1/- each on December 20, 2019, 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 ₹ 664.72 million.

  The paid up Equity Share Capital as on March 31, 2020 was ₹ 66,47,20,260 divided into 66,47,20,260 equity shares of ₹ 1/- each.

19. SCHEME OF ARRANGEMENT

In order to improve operational efficiency, to simplify the holding structure resulting in reduction of managerial overlaps and to segregate SME E-Commerce Services Undertaking and Themepark & Event Software Undertaking from other Undertakings of the Company, the Board at its meeting held on September 12, 2019 after considering the recommendations of the Audit Committee, approved the Composite Scheme of Arrangement amongst Infibeam Avenues Limited (Formerly known as Infibeam Incorporation Limited), Suvidhaa Infoserve Limited, DRC Systems India Limited and NSI Infinium Global Limited and their respective shareholders and creditors under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder ('Scheme') subject to necessary approvals of Shareholders, Creditors, the Registrar of Companies, the Stock Exchanges, Hon'ble National Company Law Tribunal, Securities and Exchange Board of India and/or other competent statutory/regulatory authorities and other third party approvals, as may be applicable. The Company had applied for observation letters on September 12, 2019 to BSE Limited and the National Stock Exchange of India Limited, in terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Scheme inter-alia provides for:

i. the demerger and vesting of the SME E-Commerce Services Undertaking from Infibeam Avenues Ltd. (Formerly known as Infibeam Incorporation Limited) ('Infibeam' or 'Demerged Company 1') to Suvidhaa Infoserve Limited ('Suvidhaa' or 'Resulting Company 1') on a going concern basis and the consequent issue of shares by Suvidhaa to shareholders of Infibeam in the manner set out in the Scheme and other applicable provisions of Applicable Law;

ii. the demerger and vesting of the E-Commerce Business Undertaking from NSI Infinium Global Limited ('NSI' or 'Demerged Company 2') to Suvidhaa on a going concern basis and the consequent issue of shares by Suvidhaa to shareholders of NSI in the manner set out in the Scheme and other applicable provisions of Applicable Law;

iii. the demerger and vesting of the Themepark & Event Software Undertaking from Infibeam to DRC Systems India Limited ('DRC' or 'Resulting Company 2') on a going concern basis and the consequent issue of shares by DRC to shareholders of Infibeam in the manner set out in the Scheme and other applicable provisions of Applicable Law;

iv. various other matters consequentially or integrally connected therewith, pursuant to the provisions of Section 230 to 232 read with Section 66 and other applicable provisions of the Act

    The Company has received Observation Letters from the BSE Limited on July 10, 2020 and from the National Stock Exchange of India Limited on July 13, 2020.

    The Company has initiated the process with Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") for sanctioning of the said Scheme on July 31, 2020.

20. 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.

21. 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.

22. AUDITORS

I. STATUTORY AUDITORS:

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

- **Statutory Auditors' Report**
  During the period under review, no incident of frauds was reported by the Statutory Auditors pursuant to Section 143 (12) of the 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 and rules made thereunder, the Board has appointed M/s. SPANJ & Associates, Company Secretaries, as the Secretarial Auditor to conduct an audit of the secretarial records, for the Financial Year 2019-20.

- **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.

23. 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.

24. 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, 2020, are set out in Notes to the Standalone Financial Statements forming part of this report.

25. PARTICULARS OF RELATED PARTY TRANSACTIONS

With reference to Section 134(3)(h) of the Companies Act, 2013, all the related party transactions entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis in accordance with the provisions of the Act, Rules made thereunder and SEBI Listing Regulations.

During the year, the Company had not entered into any related party transactions which could be considered 'material' in terms of Section 188 of the Companies Act, 2013 and rules made thereunder and according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2. However, you may refer to Related Party transactions in Note No. 26 of the Standalone Financial Statements.

26. 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.

27. 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.

28. 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 auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended. Detailed information on the same has been included under the Management Discussion & Analysis report forming part of this Annual Report.

29. RISK MANAGEMENT

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

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

30. DETAILS OF EMPLOYEE STOCK OPTION PLANS

During the year, 5,26,679 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.

31. DETAILS OF EMPLOYEE SAR SCHEME

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.

32. 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. Optimised cooling within data center facility to operate within permissible temperature range of IT equipments.
4. PACs are deployed in shifts and groups to improve efficiency and life of equipments.
5. Rationalisation of usage of electricity
6. Planned preventive maintenance

ii) Technology Absorption

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

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

iii) Foreign Exchange earnings and outgo

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

(₹ in Million)

Particulars	Financial Year 2019-20	Financial Year 2018-19
Earning in Foreign Currencies	488.59	444.59
Expenditure in Foreign Currencies	9.04	17.82

33. 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 2019-20. The Company is committed to provide a safe and conducive work environment to all its employees and associates.

34. CODE OF CONDUCT

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

35. CREDIT RATING

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

36. 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.

37. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

38. OTHER DISCLOSURES

- The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;

- The Audit Committee comprises namely Mr. Keyoor Bakshi (Chairman), Mr. Vishal Mehta, Mr. Roopkishan Dave and Mr. Piyush Kumar Sinha. 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;
- TV18 Broadcast Limited, the Warrant holder did not exercise its right to convert warrants within 18 months from the date of allotment.
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- The Company has not issued any sweat equity shares to its directors or employees.

39. ACKNOWLEDGEMENTS

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

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

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

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

For and on behalf of Board of Directors

Ajit Mehta
Chairman
[DIN: 01234707]

Place: Gandhinagar
Date: September 02, 2020

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
1	Name of Subsidiaries	Infibeam Digital Entertainment Private Limited	Infibeam Logistics Private Limited	Odigma Consultancy Solution Private Limited	DRC Systems India Limited	Avenues Infinite Private Limited	Vavian International Limited	Avenues World FZ-LLC
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
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.
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, 2020, 1 AED = INR 20.51	UAE Dirham Exchange rate as on March 31, 2020, 1 AED = INR 20.51
5	Paid up share capital	42.50	375.10	1.00	22.50	20.00	0.26	1.88
6	Reserves & surplus	(114.26)	(32.80)	92.71	1.47	584.25	128.35	81.70
7	Total assets	28.27	390.75	343.51	51.77	606.64	128.68	351.84
8	Total liabilities	100.03	48.45	249.80	27.80	2.39	0.07	268.26
9	Investment	-	-	-	-	-	-	-
10	Turnover	20.18	180.57	581.00	116.26	1.42	-	314.78
11	Profit / (Loss) before taxation	2.03	32.09	2.42	0.64	1.12	(29.68)	83.24
12	Provision for taxation	-	(1.88)	1.30	0.52	0.26	-	-
13	Profit (Loss) after Tax	2.03	33.97	1.12	0.12	0.86	(29.68)	83.24
14	% of Shareholding	74%	100%	100%	51%	100%	100%	100%

Note:

1. Name of Subsidiaries which are yet to commence operations – None
2. Name of Subsidiaries which have been liquidated or sold during the year – None.

Part- B: Associate & Joint Venture

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

(₹ In Million)

Sr. No.	Particulars	1		2	3	4
	Name of Associate Company	**Avenues Payments India Private Limited**		**Instant Global Paytech Private Limited**	**NSI Infinium Global Limited**	**Infibeam Global EMEA FZ-LLC**
1	Latest Audited Balance sheet Date	March 31, 2020		March 31, 2020	March 31, 2020	March 31, 2020
2	Shares of Associates or Joint Ventures held by the Company on the Year end	Equity Shares	Compulsorily Convertible Preference Shares	Equity Shares	Equity Shares	Equity Shares
	No. of Shares	34,791	4,876	14,400	17,120	36,016
	Amount of Investment in Associates or Joint Ventures	214.03	30.00	60.00	907.88	2,376.48
	Extent of Holdings (In Percentage)	22.69%	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	167.07		0.94	964.32	4,929.34
6	Profit or (Loss) for the Year					
	i. Considered in Consolidation	(13.94)		(19.56)	(17.86)	329.13
	ii. Not Considered in Consolidation	(47.49)		(21.18)	(1.22)	342.57

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: June 5, 2020

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, 2020, 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 encompasses adherence to the highest levels of transparency, accountability and fairness, in all areas of its operations and in all interactions with all its stakeholders. The Company believes that Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

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

- Follow the spirit of the law and not just the letter of the law Corporate Governance standards should go beyond the law.
- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

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 be well diversified and have an appropriate mix of Executive, Non-executive and Independent Directors, to maintain its independence, and separate its functions of governance and management. The Listing Regulations mandate that for a Company with Non-executive Chairman, who is a promoter, at least half of the Board should be Independent Directors. As on March 31, 2020, 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 including one woman Independent Director. The Board periodically evaluates the need for change in its size and composition.

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

b) Directors' Directorships/Committee memberships

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the 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, 2020 are given below:

Name of Directors	Category	No. of Board Meeting held and attended during the year		No. of Directorship in other Public Company*	No. of Committee positions held in other Companies		Attendance at the last AGM held on 30-07-2019 Yes / No	Directorship in other listed entity (Category of Directorship)
		Held	Attended		Chairman	Member		
Mr. Ajit Mehta DIN: 01234707	Promoter/ Non-Executive Chairman	09 (12)	09 (12)	01	0	0	Yes	-
Mr. Vishal Mehta DIN: 03093563	Promoter/ Managing Director	09 (12)	09 (12)	06	0	0	Yes	-
Mr. Malav Mehta** DIN: 01234736	Promoter/ Non-Executive Director	09 (12)	09 (12)	05	0	0	Yes	1. Gujarat Natural Resources Limited *(Non-Executive - Non Independent Director)*
Mr. Vishwas Patel DIN: 00934823	Executive Director	09 (12)	05 (07)	01	0	0	No	-
Mr. Keyoor Bakshi DIN: 00133588	Independent Director	09 (12)	09 (12)	07	03	06#	Yes	1. Kiri Industries Limited *(Non-Executive, Independent Director)* 2. Gokul Agro Resources Limited *(Non-Executive, Independent Director)* 3. Saanvi Advisors Limited *(Non-Executive, Independent Director)* 4. TTL Enterprises Limited *(Non-Executive, Independent Director)* 5. Innovative Tyres & Tubes Limited *(Non-Executive, Independent Director)*
Mr. Roopkishan Dave DIN: 02800417	Independent Director	09 (12)	04 (07)	01	0	0	Yes	-
Ms. Vijaylaxmi Sheth DIN: 07129801	Independent Director	09 (12)	05 (05)	0	0	0	No	-
Mr. Piyushkumar Sinha DIN: 00484132	Independent Director	09 (12)	08 (11)	03	0	0	No	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.
**Mr. Malav Mehta ceased to be Director of the Company w.e.f. June 05, 2020.
Membership includes Chairmanship position.
() Figures in Brackets relating to Board Meetings held and attendance thereat reflects total no. of Board meetings including adjourned Board Meetings held and actual presence of each director at the Board meetings including Adjourned Board Meetings.

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

***Mr. Malav Mehta ceased to be Director of the Company w.e.f. June 05, 2020.*

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.

During the Financial Year 2019-20, 09 (Nine) meetings of the Board of Directors were held and the maximum time gap between two meetings did not exceed one hundred and twenty days. The notice and detailed agenda along with the relevant notes and other material information 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 18, 2019	April 20, 2019*	May 30, 2019
June 29, 2019	August 08, 2019	September 12, 2019
October 25, 2019	January 28, 2020	March 20, 2020

*2nd Board Meeting held on 20th April, 2019 which was adjourned thrice and held on 27th April, 2019, 03rd May, 2019 and 05th May, 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.

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

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

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

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

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

e) The shareholding of the Directors of your Company as on March 31, 2020

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	4.53
2.	Mr. Vishal Mehta	Managing Director / Promoter	5,99,59,400	9.02
3.	Mr. Malav Mehta*	Non-Executive Director / Promoter	1,05,24,200	1.58
4.	Mr. Vishwas Patel	Executive Director	7,65,95,662	11.52
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

**Mr. Malav Mehta ceased to be Director of the Company w.e.f. June 05, 2020.*

The Company has not issued any convertible instruments to any Directors of the Company during the Financial Year 2019-20.

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. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the Financial Year 2019-20.

Structured questionnaires were prepared to evaluate the performance of the Board as a whole, individual performance of each Director and self – assessment carried out by the Directors. The parameters of the performance evaluation process for Directors, inter alia, includes, effective participation in meetings of the Board, understanding of the roles and responsibilities, domain knowledge, attendance of Director(s), 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 20, 2020, 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 Director databank registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

i) Independent Directors' Meeting:

Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. During the year under review, the Independent Directors met on January 28, 2020, 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.

j) 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.

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

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

k) **Key Board qualifications, expertise and attributes:**

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

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

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

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

**Mr. Malav Mehta ceased to be Director of the Company w.e.f. June 05, 2020.*

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

COMMITTEES OF THE BOARD

The Board has constituted various Committees with an optimum representation of its members and has assigned them specific terms of reference in accordance with the 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.

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, 2020 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Keyoor Bakshi	Independent Director	Chairman	09	09
2.	Mr. Vishal Mehta	Managing Director	Member	09	09
3.	Mr. Roopkishan Dave	Independent Director	Member	09	05
4.	Mr. Piyushkumar Sinha	Independent Director	Member	09	07

The members of the Audit Committee are financially literate and have relevant experience in financial management.

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

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

Date(s) on which meeting(s) were held		
April 17, 2019	April 27, 2019	May 30, 2019
June 29, 2019	August 08, 2019	September 12, 2019
October 25, 2019	January 28, 2020	March 20, 2020

The Chairman of the Audit Committee was present at the last AGM held on July 30, 2019.

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 2019-20 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Ajit Mehta	Non-Executive Chairman	Chairman	04	04
2.	Mr. Roopkishan Dave	Independent Director	Member	04	03
3.	Mr. Malav Mehta*	Non-Executive Director	Member	04	04

** Mr. Malav Mehta ceased to be a member of Stakeholders Relationship Committee w.e.f. June 05, 2020.*

Note: Mr. Piyush Kumar Sinha, Independent Director was appointed as a member of Stakeholders Relationship Committee w.e.f. June 05, 2020.

Date(s) on which meeting(s) were held	
May 29, 2019	August 08, 2019
October 25, 2019	January 28, 2020

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 2019-20 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 reviewed by the Board of Directors at the subsequent Board Meeting.

3. NOMINATION AND REMUNERATION COMMITTEE:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the 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 2019-20 is detailed below:

Sr. No.	Name of Members	Category	Nature of Membership	Meeting (s) Details	
				Held	Attended
1.	Mr. Roopkishan Dave	Independent Director	Chairman	05	01
2.	Mr. Keyoor Bakshi	Independent Director	Member	05	05
3.	Mr. Malav Mehta*	Non-Executive Director	Member	05	05
4.	Mr. Piyushkumar Sinha	Independent Director	Member	05	05

** Mr. Malav Mehta ceased to be a member of Nomination and Remuneration Committee w.e.f. June 05, 2020.*

Date(s) on which meeting(s) were held		
June 29, 2019	October 1, 2019	October 25, 2019
December 20, 2019	March 20, 2020	

The Company Secretary acts as a Secretary to the Committee.

The Chairman of the Nomination and Remuneration Committee was present at the last AGM held on July 30, 2019.

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:

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

The Nomination and Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed at: 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 2019-20, 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 2019-20 is as under:

(₹ In Million)

Name of Directors	Designation	Sitting fees	Salary & Perquisites	Commission	Total
Mr. Ajit Mehta	Non-Executive Chairman	0.23	0.00	0.00	0.23
Mr. Vishal Mehta	Managing Director	0.00	0.00	0.00	0.00
Mr. Malav Mehta*	Non-Executive Director	0.29	0.00	0.00	0.29
Mr. Vishwas Patel	Executive Director	0.00	0.00	0.00	0.00
Mr. Keyoor Bakshi	Independent Director	0.33	0.00	0.00	0.33
Mr. Roopkishan Dave	Independent Director	0.20	0.00	0.00	0.20
Ms. Vijaylaxmi Sheth	Independent Director	0.12	0.00	0.00	0.12
Mr. Piyushkumar Sinha	Independent Director	0.29	0.00	0.00	0.29
Total		**1.46**	**0.00**	**0.00**	**1.46**

**Mr. Malav Mehta ceased to be Director of the Company w.e.f. June 05, 2020.*

No Stock Option has been offered to the Directors during the Financial Year 2019-20.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees. The Company has no pecuniary relationship with Non- Executive 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 Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole, Chairperson of the Company after taking into account the views of Executive Directors and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The performance evaluation process for the financial year 2019-20 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 2019-20 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

** Mr. Malav Mehta ceased to be a member of Corporate Social Responsibility Committee w.e.f. June 05, 2020.*

Note: Mr. Piyush Kumar Sinha, Independent Director was appointed as a member of Corporate Social Responsibility Committee w.e.f. June 05, 2020.

Date(s) on which meeting(s) were held
June 19, 2019

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;

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

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

A CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the 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.

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

The Composition of the Risk Management Committee as at March 31, 2020 is as under:

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

** Mr. Malav Mehta ceased to be a member of Risk Management Committee w.e.f. June 05, 2020.*

Note: Mr. Hiren Padhya, Chief Financial Officer was appointed as a member of Risk Management Committee w.e.f. June 05, 2020.

Date(s) on which meeting(s) were held
May 29, 2019

The role of Risk Management Committee is as under:

a. Identify Company's risk appetite set for various elements of risk;

b. Review the risk management practices and structures and recommend changes to ensure their adequacy including but not limited to cyber security and related risks;

c. Approve and review the risk treatment plans put in place by management;

d. Ensure adequacy of risk management practices in the Company; and

e. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

SUBSIDIARY COMPANIES

As on March 31, 2020, 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
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.**
2018-19	30-07-2019	10.30 a.m.	23rd Floor, Gift Two Building, Block No. 56, Road – 5C, Zone – 5, Gift City, Gandhinagar – 382 355 **Special Resolutions:** a. Reappointment of Mr. Keyoor Madhusudan Bakshi (DIN: 00133588) as an Independent Director b. Reappointment of Mr. Roopkishan Sohanlal Dave (DIN: 02800417) as an Independent Director. c. Reappointment of Ms. Vijaylaxmi Tulsidas Sheth (DIN: 07129801) as an Independent Director. d. To Consider Removal of M/S. S R B C & Co., LLP as one of the Joint Statutory Auditors of the Company. e. Approval of the Employee Stock Option Plan 2019-20 of the Company and Grant of Employee Stock Options to the Employees of the Company thereunder. f. Approval of the Employee Stock Option Plan 2019-20 and Grant of Employee Stock Options to the Employees of Present and Future Subsidiaries of the Company under the Scheme g. Approval Pursuant to Section 185 of the Companies Act, 2013

b. Whether special resolutions were put through postal ballot last year, details of voting pattern:
During the year under review, no resolution was passed through Postal Ballot.

c. Whether any special resolution is proposed to be conducted through postal ballot:
No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

MEANS OF COMMUNICATION

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

1. Publication of quarterly results:
Quarterly, half-yearly and annual financial results of the Company are sent to the Stock Exchanges and published in 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:**
The Company makes timely disclosures of necessary information to the 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) and BSE Corporate Compliance & the Listing Centre:**
NEAPS is a web-based application designed by NSE for corporates. BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, financial results, Shareholding Pattern, Corporate Governance Report, Corporate Announcements, statement of investor complaints, amongst others are in accordance with the Listing Regulations filed electronically on NEAPS/ BSE Listing centre.

7. **SEBI Complaints Redress System (SCORES):**
The investor complaints are processed in a centralised web-based complaints 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	: September 30, 2020
Day	: Wednesday
Time	: 09.30 a.m
Place	: The Company is conducting Annual General Meeting through Video Conference/Other Audio Visual Means pursuant to the MCA Circular dated 5th May, 2020 and as such there is no requirement to have a place for the AGM. For more details please refer to the Notice of this AGM.

(iii) Financial Calendar:

Financial Year	: April 01 to March 31
Tentative Schedule for declaration of results during the Financial Year 2020-21	
First Quarter	: Mid August, 2020
Second Quarter and Half yearly	: Mid November, 2020
Third Quarter and Nine Months	: Mid February, 2021
Fourth Quarter and Annual	: End May, 2021

(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
2019-20	Interim	0.10	October 25, 2019	November 30, 2026

- **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 2019-20, 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 : Wednesday, September 23, 2020 to Wednesday, September 30, 2020 (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 for the Financial Year 2020-21.

(vi) Market Price Data:

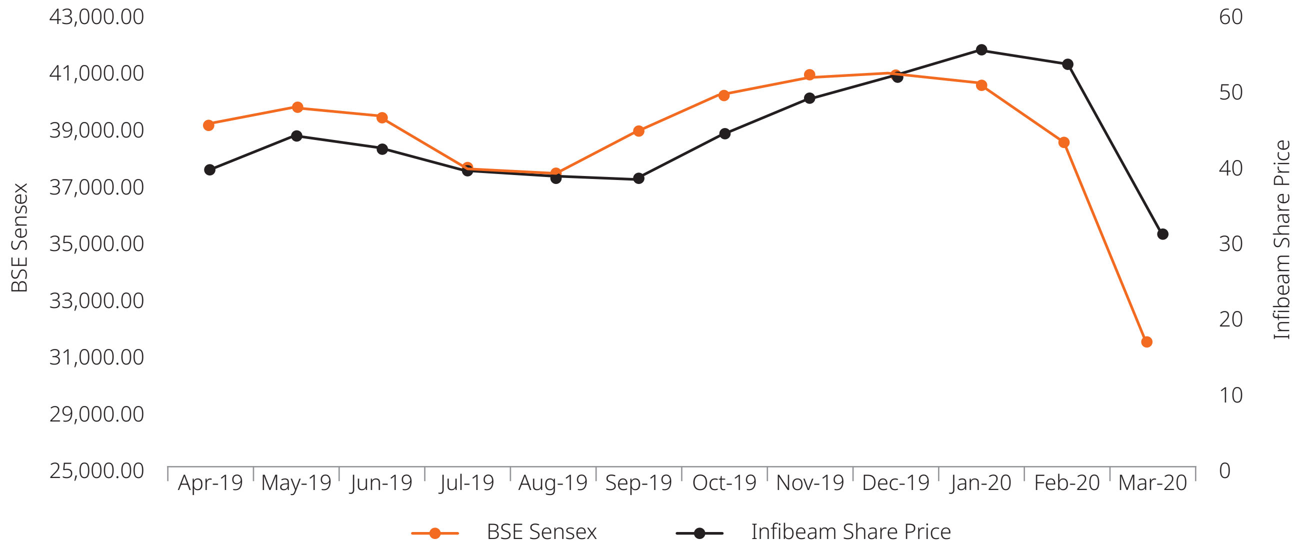
The monthly high and low prices and volumes of your Company's shares at BSE and NSE for the year ended March 31, 2020 are as under:

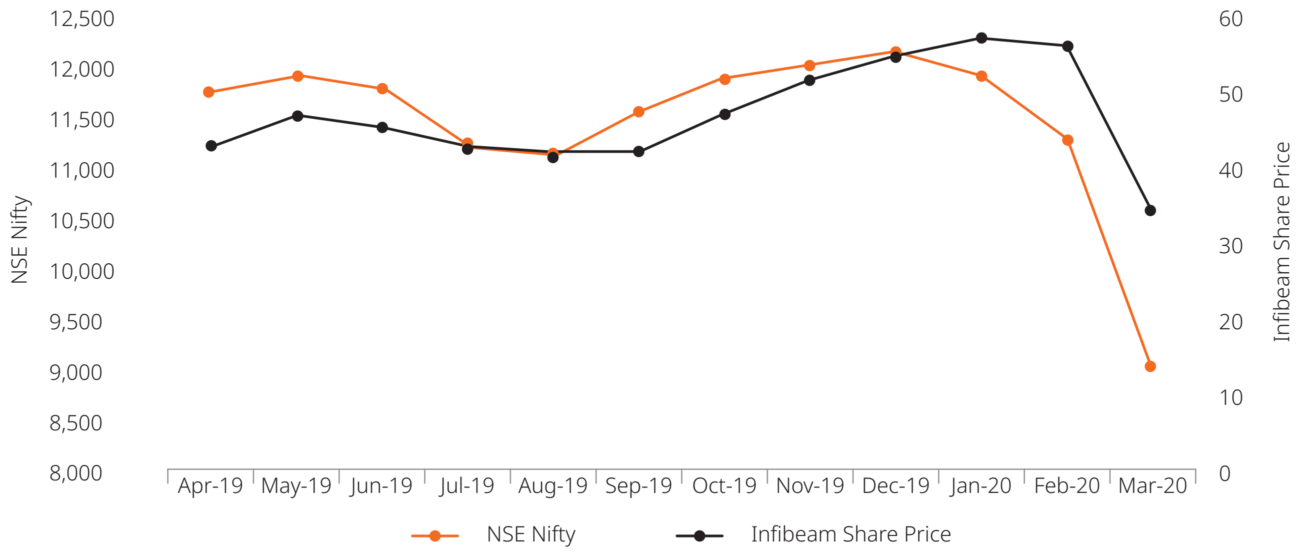
Months	BSE			NSE		
	High (In ₹)	Low (In ₹)	Volume (No. of Shares)	High (In ₹)	Low (In ₹)	Volume (No. of Shares)
2019						
April	53.55	40.70	2,46,17,034	53.55	40.75	23,35,10,215
May	52.15	39.05	1,94,42,868	52.00	40.00	17,59,63,722
June	49.10	42.25	2,02,87,696	49.20	42.30	15,84,29,463
July	45.95	39.70	37,75,132	46.00	39.70	4,05,84,392
August	44.55	32.90	29,82,261	44.70	32.60	4,34,25,888
September	43.40	39.00	53,48,352	43.50	39.00	4,26,46,924
October	48.40	38.25	55,81,023	48.50	38.90	4,61,44,125
November	53.15	43.50	58,79,965	53.15	43.40	5,00,52,010
December	57.40	45.75	60,11,066	57.45	45.60	9,67,81,325
2020						
January	61.25	52.40	75,54,501	61.25	52.75	6,59,19,484
February	59.90	54.00	54,42,495	59.50	54.60	2,15,18,913
March	58.70	26.55	49,57,736	58.00	26.40	4,39,81,438

(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, 2020 (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.

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

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

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

(xi) Distribution of Shareholding as on March 31, 2020:

Shareholding (No. of Shares)	No. Share Holders		No. Shares	
	Number	% of Total	Shares	% of Total
Upto – 500	44,271	84.15	55,95,044	0.84
501 – 1000	3,800	7.22	31,44,008	0.47
1001 - 2000	1,984	3.77	30,85,652	0.46
2001 – 3000	711	1.35	18,54,943	0.28
3001 - 4000	320	0.61	11,80,624	0.18
4001 - 5000	276	0.52	13,20,421	0.20
5001 - 10000	462	0.88	35,37,644	0.53
10001 and above	787	1.50	64,50,01,924	97.03
Total	**52,611**	**100.00**	**66,47,20,260**	**100.00**

(xii) Category of Shareholders as on March 31, 2020:

Category	No. of Shares held	% of Shareholding
Promoters & Promoter's group	21,49,24,909	32.33
Financial Institution & Banks	18,06,860	0.27
Foreign Portfolio Investors	4,78,43,118	7.20
Mutual Funds	27,005	0.00
Bodies Corporate	8,45,80,510	12.72
NRI	1,15,23,269	1.73
Individual	27,50,61,313	41.38
HUF	2,55,30,104	3.84
Clearing Member	6,26,861	0.09
NBFCs registered with RBI	0	0.00
Employee Benefit Trust	27,96,311	0.42
Total	**66,47,20,260**	**100.00**

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

Your Company had allotted 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.

The said allottee was given a right to apply for and get allotted one equity share of face value of ₹ 1/- each for each warrant, within a period of 18 (Eighteen) months from the date of allotment of Warrants. Since the Warrant holder did not exercise the conversion option within 18 months from the date of the allotment, the upfront amount received by the Company stands forfeited as per provision of Regulation 169(3) of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 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, 2020. 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 shareholders holding shares in physical form are requested to dematerialize their shares for safeguarding their holdings and managing the same hassle free. Shareholders are accordingly requested to get in touch with any of the Depository Participant(s) registered with SEBI to open a Demat account.

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

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

(xvi) Plant Locations: Not Applicable

(xvii) Address for Correspondence:

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

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

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

Infibeam Avenues Limited
(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, 2020.

During the year under review, the long term rating has been revised to [ICRA] A- for outstanding Bank facilities by ICRA Limited due to moderation in margins while scaling up certain new business segment.

OTHER DISCLOSURES

(i) Related Party Transactions:

There were no materially Related Party Transactions having potential conflict with the interests of the Company at large during the Financial Year 2019-20. All transaction entered into by your Company with related parties, during the Financial Year 2019–20, 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) 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.

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

(vi) Adoption of Mandatory and Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has 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.

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

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

(viii) Certificate from Practicing Company Secretary:
Ashish C. Doshi, Partner of SPANJ & Associates, 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.

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

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

Type of Services	Amount (₹ in Million)
Audit Fee	1.50
Limited Review Fee	4.50
Certification charges	0.15
Total	**6.15**

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

(xii) The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2019-20 are as under:

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

(xiii) The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, 2015.

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

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

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

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

(xviii) CEO/CFO Certification:
As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the Financial Year 2019 – 20 signed by Mr. Vishal Mehta, Managing Director and Mr. Hiren Padhya, Chief Financial Officer was placed before the Board of Directors of the Company at it's meeting held on June 05, 2020.

(xix) Annual Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has submitted the Annual Secretarial Compliance Report to the stock exchanges.

(xx) Equity Shares in the Suspense Account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, there are no equity shares lying in the demat suspense account.

(xxi) Others:

A. Non-resident shareholders:

Non-resident shareholders are requested to immediately notify:

a. Indian address for sending all communications, if not provided so far;

b. Change in their residential status on return to India for permanent settlement; and

c. Particulars of their Non Resident Rupee Account, whether repatriable or not, with a bank in India, if not furnished earlier.

B. Updation of shareholders details:

1. Shareholders holding shares in physical form are requested to notify the changes to the Company/ its RTA, promptly by a written request under the signatures of sole/first joint holder; and
2. Shareholders holding shares in electronic form are requested to send their instructions directly to their DPs.

C. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.

D. Nomination of Shares:

Section 72 of the 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.

E. Email Id registration:

To support the green initiative, shareholders are requested to register their email address with their DPs or with the Company's RTA, as the case may be. Communications in relation to Company like Dividend credit intimations, Notice of AGM and Annual Report are regularly sent electronically to such shareholders who have registered their email addresses.

DECLARATION

As provided under Regulation 26 (3) of the 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, 2020.

Ajit Mehta
Chairman
[DIN: 01234707]

Place: Gandhinagar
Date: September 02, 2020

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, 2020 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 2019-20, 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
Date: June 05, 2020

Vishal Mehta
Managing Director

Hiren Padhya
Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
INFIBEAM AVENUES LIMITED
{CIN: L64203GJ2010PLC061366}
Gandhinagar

We have examined the compliance of conditions of Corporate Governance by **INFIBEAM AVENUES LIMITED**, for the year ended **31st March, 2020**, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us along with documents & submissions for regulatory compliances provided for our verification in electronic form in online system due to lockdown on account of COVID 19 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: September 02, 2020

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
COP No.: 2356
P R Certi No. : 702/2020
UDIN: F003544B000647880

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, and a complete Software as a Service (SaaS) technology framework and testing along with high speed compute and storage data center service to businesses and governments ("B2B customers") who want to do online commercial transactions – Infibeam Avenues Financial Technology Services ("IFS"). The Company provides IFS to B2B customers in India, UAE, Saudi Arabia and the United States of America, across industry verticals.

As part of Digital Payments Solutions, the Company offers multi-channel payment processing services through its brand CCAvenue to an estimated over 70% of India's e-Merchants. CCAvenue is a PCI DSS 3.2 compliant payment gateway platform and one of India's largest direct debit engine. The payment platform offers nearly 250 payment options connecting nearly 60 Indian and international banks based in India on a real-time basis to process payments through Net Banking and also processes all types of Credit Cards, Debit Cards and Digital Wallets including UPI payments. CCAvenue ranks second in terms of net profit, and third in terms of revenue market share as well as value of payments processed. CCAvenue also offers highest number of wallet and EMI options on its payment platform, in India. In the UAE, CCAvenue ranks second in terms of payment processed among all the non-bank private players.

The Company's end-to-end, modular, customizable and scalable cloud-based enterprise software platform allows enterprise merchants to transact online, manage the back-end (orders, inventory, and logistics), marketing, and accepting digital payments. Infibeam is an exclusive e-commerce technology provider offering its e-commerce platform for one of India's largest marketplace, "GeM" (Government of India e-Marketplace) processing tens of thousands of crore of transaction on the e-commerce platform, annually.

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

In addition, Infibeam also holds stake in two other FinTech companies, having high growth opportunities in India and internationally which will potentially allow the Company to expand its digital payments and platforms businesses globally.

The disclosures in this report are aligned to the Principles of Business Responsibility as prescribed under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs, Government of India. This report provides transparent and relevant information on the Company efforts and its performance against the nine principles of Business Responsibility.

Section – A

GENERAL INFORMATION ABOUT THE COMPANY:

Sr. No.	Particulars	Details			
1.	Corporate Identity Number (CIN) of the Company	L64203GJ2010PLC061366			
2.	Name of the Company	Infibeam Avenues Limited (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, 2019 to March 31, 2020			
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	National Industrial Classification 2008 Section J: Information and Communication Code: 62013 Section K: Financial and Insurance activities Code: 66190			
8.	Three key products/services of the Company (as in balance sheet)	Digital payment and checkout web services E-commerce related web services			
9.	Total number of locations where business activity is undertaken by the Company				
(a)	Number of international locations	Zero (0)			
(b)	Number of National locations	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, 2020	₹ 664.72Million
2.	Total turnover for F.Y. 2019-20	₹ 5,953.88 Million (Standalone)
3.	Total profit after taxes for F.Y. 2019-20	₹ 386.01 Million (Standalone)
4.	Total spending on Corporate Social Responsibility (CSR) as a percentage of Profit After Tax (%) for F.Y. 2019-20	1.89%
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.								
8.	Does the Company have in-house structure to implement the Policy / Policies	Y	Y	Y	Y	Y	Y	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the Policy / Policies to address stakeholders' grievances related to the policy (ies)	Y	Y	Y	Y	Y	Y	-	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of these policies by an internal or external agency?	Y	Y	Y	Y	Y	Y	-	Y	Y
		The Heads of Departments are responsible for effective implementation of the Policies. While the Company has not carried out independent audit of the policies, the Internal Audit Function periodically looks at the implementation of the policies.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 Options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)							√		
		Considering the business activities of the Company and the nature of its business, the Board has not felt the need to formulate certain policies. However, the Board reviews the requirements from time to time and Company will formulate relevant policies as and when the need arises.								

3. Governance related to BR

Sr. No.	Particulars	Details
a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO 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") originates from the principles of Ethics, Transparency and Accountability and complies with the legal requirements of applicable laws and regulations. It underlines the belief that ethical behaviour in all operations is the corner stone guiding our governance of economic, social and environmental responsibilities. All the employees of the Company and its subsidiaries are expected to adhere to the Code and report its violation as and when observed. The Code as well as the Company's Policy on Prevention of Fraud applies to all the affiliates of the Company and also across the entire value chain of the Company.

   The Company has a well-defined Whistle Blower Policy in place to provide the employees of the Company and its subsidiaries a mechanism to raise concern with respect to any unlawful or unethical activity or violation of law or the Code including the policies formulated thereunder.

   Compliance with the statutory requirements has always been one of the focus areas. There is a centralized compliance function which enables business teams know their statutory responsibilities and ways to fulfil those responsibilities. The compliance function, while on one hand keeps the Board and the senior management updated about the status of compliance with statutory requirements, on the other hand works with business teams to build capabilities through trainings and assessments.

   The system works through processes that not only ensures compliance with the requirements prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, by making timely disclosures to stock exchanges, declarations by designated persons, preapproval of trading plans etc. but also moves ahead with the help of the Company's Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information. The Code is applicable to those employees of the Company, its subsidiaries and joint ventures, who may be deemed to have access to unpublished price sensitive information.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company's stakeholders includes investors, clients, employees, vendors / partners, government, and local communities. The Company has in place dedicated mechanisms for receiving and dealing with complaints from different stakeholders and responding it within a time bound manner.

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

   Services of Infibeam primarily includes digital **P**ayments, **I**nfrastructure (data center as a service) and cloud-based enterprise **P**latforms (PIP) and other services including testing, data analytics, digital marketing, among others. Our digital offerings are environmentally friendly. The Company is committed to ensure sustainability throughout its day-to-day operations.

   Since inception, Infibeam strives to contribute positively to the national growth and that its digital services can offer great opportunities for Large as well as Small and Medium Enterprises (SMEs) that form the backbone of the Indian Economy, to be able to use the power of internet to increase their sales and generate higher income. Infibeam's business model gives an opportunity to businesses of all sizes, from various sections and different parts of the country, by providing them powerful online solutions to be able to do business online. The technology solutions in the area of PIP can help the large retails, brands and SMEs to transact online with ease and convenience, and help them to expand their reach to target a larger customer base enabling them to make more sales, at a reasonable cost. They can also avail customised web services that can further enhance their earning potential.

2. **For each such product and services, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   Infibeam is a financial technology company which offers comprehensive suite of web services spanning digital payment solutions, data centre infrastructure and software platforms. Our business is fundamentally done online and thus the usage of paper is limited due to the nature of the business. The Customers are encouraged to adopt paper-free practices like use of internet, mobiles, digital reports, digital payments and other such environmentally friendly initiatives that also enhance the digital culture; a step towards fulfilling and accelerating India's dream to be a digital economy. We generate reports for our customers online at the push of a button and encourage paper-less usage. Being a responsible corporate, we track the consumption of resources diligently and follow sustainable practices to reduce our impact on the environment and promote efficient consumption of resources viz. Heating, Ventilation and Air Conditioning (HVAC) run time monitoring, installation of LEDs, CFL & other low energy consuming office equipment, restricted printer and copier usage, this helps to efficiently consume electricity.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   a. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Yes, the Company has procedures in place for sustainable sourcing including transportation.

   As a responsible corporate citizen, the Company endeavours to reduce the environmental impact of its operations. The Company has made conscious efforts to reduce the usage of paper through various digital initiatives, some of which have been outlined elsewhere in this document.

   Our supplier analysis also takes into account the sourcing strategy of the supplier and proximity of the supplier to the location where the order request has been raised so as to improve logistics and save time, cost & emissions from unwanted transportation through longer routes.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Business of the Company is service oriented and not material resource intensive. The human resources and other services required for our operations are generally sourced from within the local area to the extent feasible. The products and services offered by the Company are aimed at encouraging entrepreneurship, innovation and capacity building among the society as well as to enable them to scale up their business operations.

   During supplier evaluation process, if all other factors are on par between potential suppliers, then the Company will give preference to the local supplier or small producer and thus procure goods locally. We also promote localization of business by giving preferences to local vendors for consumable and operational services.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Yes, The Company has a mechanism to recycle waste but since we do not manufacture products we don't deal with product recycling. Our operational practices are focused to continually reduce consumption of paper and progressive measures are being implemented across different processes to facilitate the same.

   Our initiatives also strive to meet sustainability goals of waste reduction and more efficient resource utilisation.

Principle - 3
Businesses should promote the well-being of all employees

We believe that Company's growth truly depends upon the growth of employees within the organization. We aim at creating a working environment that is supportive of work-life balance while meeting the Company's business needs. We foster a healthy work culture and a work place free of any harassment. Being an equal opportunity employer, the Company does not discriminate on basis of caste, creed, gender or nationality.

Sr. No.	Particulars	Details
1.	Total Number of Employees	681
2.	Total number of employees hired on contractual basis	4
3.	Number of permanent women employees	176
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 2019-20 are as follows:

Permanent Employees	100%
Permanent Women Employees	100 %
Contractual Employees	0.00%
Employees with Disabilities	0.00%

Principle - 4
Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders?**

   We deeply value the contribution of all the stakeholders to the growth of the Company. We engage with them in a transparent manner with honesty, integrity and openness. The Company engages with multiple stakeholders through formal and informal channels of communication. The key stakeholder groups are identified as follows:

   a) Employees
   b) Customers, Clients and Partners
   c) Investors
   d) Vendors/ Service Providers
   e) Regulators
   f) Community
   g) Associates
   h) Media

   The Company constantly strives to keep the channels of communication open and transparent with all its stakeholders, with a view to maximizing stakeholder's satisfaction and value creation.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and marginalised stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Infibeam is a responsible corporate, and believes in inclusive growth and equitable development for socio-economic betterment of the community. We aim at addressing the needs of the disadvantaged, vulnerable and marginalized sections of the society through our CSR programs.

Principle - 5
Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGO s/ others?**

   We believe in respecting, promoting, and protecting human rights at every aspects of business engagement. The Company is committed to upholding the dignity of every individual engaged or associated with the Company.

   We have implemented Fair Practices Code as well as Employee Code of Conduct which lays down the acceptable employee behaviour on various aspects including human rights. All employees, with direct interface to customers, are trained to be polite and courteous to customers under all circumstances. This focus on human rights extends towards all its interactions with stakeholders with utmost importance placed on fairness and transparency.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   No complaints were received on human rights violations during the year.

Principle - 6
Business should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGO s/others.**
   The Policy covers only the Company. However, the Company shall support its value chain to adopt this principle.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**
   The Company doesn't have any specific program or initiatives to address such issues. The Company has an Environment, Health and Safety Policy ("EHS Policy") which is communicated to all employees. The EHS Policy is available on the Company's website and accessed through the following link www.ia.ooo.

   As an organization Infibeam follows a thoroughly responsible approach towards the environmental causes. We promote Reduce, Reuse, Recycle philosophy which reflects our Go-Green approach. Our efficient operational practices, digital business initiatives and environment management practices help us reduce our environmental footprint and help us achieve environmentally sustainable business practices.

3. **Does the Company identify and assess potential environmental risks?**
   The Company is aware of the potential environmental risks. We have also integrated environmental and social safeguards into the business process. The Company continuously seeks to improve its environmental performance by promoting use of energy efficient environment friendly technologies and use of renewable energy.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
   As detailed under Points 1-3 above, The Company, through its initiatives, is aware of the importance of safeguarding the environment. As on date, the Company did not carry out any project related to the Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc., Y/N. If yes, please give hyperlink for web page etc.**
   The Company strives to manage its energy demand by improving operational efficiency and adding alternate sources of energy. The Company has defined targets on reducing specific electricity consumption and increasing the energy share of renewable energy as a proportion of total energy consumption. The Company's energy conservation initiatives can be categorised under process optimisation and automation, optimisation of electrical equipment and lighting. At present, it does not have any URL.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by 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, 2020.

Principle - 7
Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
   The Company is not a member of any trade and chamber or association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
   Not Applicable

Principle - 8
Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
   The Company has a well-defined CSR policy which is in line with the Companies Act, 2013 that support inclusive growth and equitable development. The Company has taken various CSR initiatives for the support and development of society. The report on the CSR projects carried by the Company is annexed with the Board's Report.

2. **Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/ government structures/any other organization?**
   The Company, through NGO's, supports various CSR initiatives in a project/ program mode. Please refer CSR activities in the Directors Report section of the Annual Report.

3. **Have you done any impact assessment of your initiative?**
   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 ₹ 7.30 Million was spent towards various CSR projects during the financial year 2019-20.

   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, 2020, the CSR Committee comprises following members:

Ms. Vijaylaxmi Sheth	- Chairperson
Mr. Vishal Mehta	- Member
Mr. Malav Mehta	- Member

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

   ₹ 363.71 Million

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

   ₹ 7.27 Million

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year: ₹ 7.27 Million

b) Amount unspent, if any: Nil

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

Sr. No.	CSR Project or Activity 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.	Promoting Health Care	For health awareness	Location: Surat, Gujarat The objective is to establish & maintain hospitals, dispensaries, nursing homes, ayurvedic centres, consulting rooms, laboratories, physiotherapy, nature therapy, homeopathic, health centres, sanatorium, pharmacies (medical store) etc. with ultra-modern equipments and to give aid and encouragement to them.	7.30	2.50	2.50	"Samast Patidar Arogya Trust"
2.			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.		4.80	8.25	"Aadhar Foundation"
	Total Direct Expenditure			7.30	7.30	10.75	
	Overheads for various CSR initiatives			-	-	-	
	Total CSR Spent (Direct Expenditure + Overheads)			**7.30**	**7.30**	**10.75**	

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 31STMARCH, 2020
[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
Regd. Off: 28th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5, GIFT CITY,
Gandhinagar – 382355 (Gujarat)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INFIBEAM AVENUES LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives in electronic form in online system in view of the prevailing situation in the country during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2020 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, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended form time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with the Stock Exchange(s) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

VI. We further report that having regard to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof made available to us in electronic form, on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the Company, however in view of the prevailing situation in the country, physical verification was not possible.

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. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company.

We further report that
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. Keyoor Bakshi (DIN: 00133588), Mr. Roopkishan Dave (DIN: 02800417) and Ms. Vijaylaxmi Sheth were re-appointed as Independent Director of the Company pursuant to the approval of shareholders at the Annual General Meeting held on July 30, 2019 for a further period of 5 (Five) years.

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, except in cases of consent by directors for convening Board Meetings at shorter notice 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.

- During the year under review, the Company filed an application with the Regional Director (NWR) in Form ADT 2 for removal of S R B C & Co., LLP, Chartered Accountants, (Firm Reg. No. – 324982E/E300003) (one of the Joint Statutory Auditors of the Company) ("the 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 received an order allowing said application issued by Hon'ble Regional Director, North-West Region; Ahmedabad dated 07th June, 2019 and necessary approval of shareholders was also accorded at AGM held on 30th July, 2019.
- During the year under review, Board of Directors of the Company had approved the Composite Scheme of Arrangement amongst Infibeam Avenues Limited (Formerly known as Infibeam Incorporation Limited), Suvidhaa Infoserve Limited, DRC Systems India Limited and NSI Infinium Global Limited and their respective shareholders and creditors under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder subject to Approval from NCLT and other Regulators. Through this Scheme SME E-Commerce Services Undertaking will be demerged from Infibeam to Suvidhaa, E-Commerce Business Undertaking will be demerged from NSI to Suvidhaa on going concern basis and consequent issue of shares by Suvidhaa to shareholders of Infibeam and NSI & Themepark and Event Software Undertaking will be demerged from Infibeam to DRC on going concern basis and consequent issue of shares by DRC to shareholders of Infibeam in terms of exchange ratio proposed in the Scheme.
- During the year under review, Company had allotted 3,02,750 Equity Shares to Employees of the Company in terms of ESOP Scheme 2013-14 and ESOP Scheme 2014-15 as approved in Nomination and Remuneration Committee Meeting held on October 01, 2019.
- TV18 Broadcast Limited, holding 21,45,002 convertible warrants allotted by company on preferential allotment basis did not exercised its right to convert warrants within 18 months from the date of allotment.
- During the year under review, Company had allotted 10,25,270 Equity Shares to Employees of the Company in terms of ESOP Scheme 2013-14 and ESOP Scheme 2014-15 as approved in Nomination and Remuneration Committee Meeting held on December 20, 2019.
- During the year under review, Company had made further investment ₹ 11,02,50,000 in Equity shares of Odigma Consultancy Solutions Private Limited, Wholly owned Subsidiary of the Company.
- During the year under review, Company made further Investment of USD 11,40,00,000 in Wholly owned Foreign Subsidiary of the Company Vavian International Limited, Dubai.

Place: Ahmedabad
Date: 02/09/2020

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
COP No.: 2356
P R Certi No. : 702/2020
UDIN: F003544B000647858

Note: This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report.

ANNEXURE – A

List of documents verified (in electronic form)

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee 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
    - Board Diversity Policy
    - Dividend Distribution Policy
    - Risk Management Policy
    - Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information
    - Code of Practices and Procedures For Fair Disclosure of Unpublished Price Sensitive Information
    - Environment, Health and Safety Policy

ANNEXURE – B

To,
The Members
INFIBEAM AVENUES 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, 2020.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 02/09/2020

Ashish C. Doshi, Partner
SPANJ & ASSOCIATES
Company Secretaries
ACS/FCS No.: F3544
COP No.: 2356
P R Certi No. : 702/2020
UDIN: F003544B000647858

Annexure – G

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2020

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 checkout Web Services	66190	87%

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)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
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 Limited** 24th Floor, Gift Two Building, Block No. 56, Road-5c, Zone-5, Gift City, Gandhinagar, Taluka & District - Gandhinagar – 382 355	U72900GJ2012PLC070106	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 Limited** 27th Floor, Gift Two Building, Block No. 56, Road-5C, Zone-5, Gift City, Gandhinagar, Taluka & District - Gandhinagar – 382 355	U64203GJ2002PLC040741	Associate	93.59%	2(6)
9.	**Instant Global Paytech Private Limited** 6th Floor, Seasons Avenue, Linking Road, Khar, Mumbai – 400052	U74999MH2018PTC308260	Associate	48.00	2(6)
10.	**Infibeam Global EMEA FZ-LLC** Premises: 52, Floor: Ground, Building: 17, Dubai, United Arab Emirates	NA*	Associate	49.00	2(6)
11.	**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)

* 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, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% 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	23.45	14,90,36,790	-	14,90,36,790	22.42	(1.03)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,79,93,119	-	9,79,93,119	14.77	6,58,88,119	-	6,58,88,119	9.91	(4.86)
e) Banks / FI									
f) Any other									
Sub-Total [A](1)	**25,35,29,909**	**-**	**25,35,29,909**	**38.22**	**21,49,24,909**	**-**	**21,49,24,909**	**32.33**	**(5.89)**
(2) Foreign									
a) NRI-Individual	-	-	-	-	-	-	-	-	-
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total [A] (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	**25,35,29,909**	**-**	**25,35,29,909**	**38.22**	**21,49,24,909**	**-**	**21,49,24,909**	**32.33**	**(5.89)**
B. Public Shareholding									
1. Institutions									-
a) Mutual Funds	1,20,165	-	1,20,165	0.02	27,005	-	27,005	0.00	(0.02)
b) Banks / FI	59,07,240	-	59,07,240	0.89	18,06,860	-	18,06,860	0.27	(0.62)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investor	3,65,73,995	-	3,65,73,995	5.51	4,78,43,118	-	4,78,43,118	7.20	1.69
h) Foreign Venture Capital Funds	,-	-	-	-	-	-	-	-	-
i) Others (specify)									
Sub-total (B)(1):-	**4,26,01,400**	**-**	**4,26,01,400**	**6.42**	**4,96,76,983**	**-**	**4,96,76,983**	**7.47**	**1.05**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,42,91,783	-	3,42,91,783	5.17	8,45,80,510	-	8,45,80,510	12.72	7.55
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,07,26,820	92,150	5,08,18,970	7.66	2,92,57,297	82,150	2,93,39,447	4.41	(3.25)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	23,15,15,023	5,43,220	23,20,58,243	34.98	24,51,78,646	5,43,220	24,57,21,866	36.97	1.99
NBFC Registered with RBI	5,355	0	5,355	0.00	0	0	0	0.00	0.00
c) Others (specify)									
i) HUF	2,38,93,418	0	2,38,93,418	3.60	2,55,30,104	0	2,55,30,104	3.84	0.24
ii) NRI	1,36,01,241	0	1,36,01,241	2.05	1,15,23,269	0	1,15,23,269	1.73	(0.32)
iii) Clearing Members	97,95,610	0	97,95,610	1.48	6,26,861	0	6,26,861	0.09	(1.38)
iv) Trust	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	**36,38,29,250**	**6,35,370**	**36,44,64,620**	**54.94**	**39,66,96,687**	**6,25,370**	**39,73,22,057**	**59.77**	**4.83**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**40,64,30,650**	**6,35,370**	**40,70,66,020**	**61.36**	**44,63,73,670**	**6,25,370**	**44,69,99,040**	**67.25**	**5.89**
C. Non Promoter - Non Public	**27,96,311**	**-**	**27,96,311**	**0.42**	**27,96,311**	**-**	**27,96,311**	**0.42**	**0.00**
1. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
2. Employee Benefit Trust (under SEBI (SBEB) Reg., 2014)	27,96,311	-	27,96,311	0.42	27,96,311	-	27,96,311	0.42	0.00
Grand Total (A+B+C)	**66,27,56,870**	**6,35,370**	**66,33,92,240**	**100.00**	**66,40,94,890**	**6,25,370**	**66,47,20,260**	**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, 2019)			Shareholding at the end of the year (March 31, 2020)			% 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	4.54	-	3,01,14,780	4.53	-	(0.01)
2.	Ms. Jayshree A. Mehta	3,01,14,780	4.54	-	3,01,14,780	4.53	-	(0.01)
3.	Mr. Malav A. Mehta	1,70,24,200	2.57	2.12	1,05,24,200	1.58	-	(0.54)
4.	Mr. Vishal A. Mehta	5,99,59,400	9.04	-	5,99,59,400	9.02	-	(0.02)
5.	Ms. Nirali Mehta*	1,50,59,200	2.27	-	1,50,59,200	2.27	-	0.00
6.	Ms. Anoli Mehta*	9,68,510	0.15	-	9,68,510	0.15	-	0.00
7.	Mr. Subhashchandra R. Amin*	20,58,790	0.31	-	20,58,790	0.31	-	0.00
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	1.21	-	4,07,440	0.06	-	(1.45)
14.	Tripwheels and Drive Private Limited *(Formerly known as Infinium Auto Mall Private Limited)**	1,45,55,900	2.19	0.38	15,55,900	0.23	0.23	(1.96)
15.	Infinium Communication Private Limited*	1,05,07,880	1.58	0.75	5,07,880	0.08	-	(1.50)
16.	Infinium Motors Private Limited*	5,30,47,220	8.00	4.15	5,30,47,220	7.98	0.75	(0.02)
17.	Infinium Motors (Gujarat) Private Limited*	48,34,655	0.73	-	48,34,655	0.73	0.73	0.00
18.	O3 Developers Private Limited *(Formerly known as Infinium Natural Resources Investments Private Limited)**	70,40,024	1.06	-	55,35,024	0.83	0.73	(0.23)
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	**25,35,29,909**	**38.22**	**7.40**	**21,49,24,909**	**32.33**	**2.44**	**(5.89)**

* 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, 2019)		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	4.54	No Change			3,01,14,780	4.53
2.	Ms. Jayshree A. Mehta	3,01,14,780	4.54	No Change			3,01,14,780	4.53
3.	Mr. Malav A. Mehta	1,70,24,200	2.57	27-09-2019	(25,00,000)	sale	1,45,24,200	2.19
				28-11-2019	(10,00,000)	sale	1,35,24,200	2.03
				31-12-2019	(30,00,000)	sale	1,05,24,200	1.58
	At the end of the year (March 31, 2020)						1,05,24,200	1.58
4.	Mr. Vishal A. Mehta	5,99,59,400	9.04	No Change			5,99,59,400	9.02
5.	Ms. Nirali Mehta	1,50,59,200	2.27	No Change			1,50,59,200	2.27
6.	Ms. Anoli Mehta	9,68,510	0.15	No Change			9,68,510	0.15
7.	Mr. Subhashchandra R. Amin	20,58,790	0.31	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	1.21	28-06-2019	(40,00,000)	Sale	40,07,440	0.60
				30-09-2019	(36,00,000)	Sale	4,07,440	0.06
	At the end of the year (March 31, 2020)						4,07,440	0.06
14.	Tripwheels and Drive Private Limited *(Formerly known as Infinium Auto Mall Private Limited)*	1,45,55,900	2.19	26-06-2019	(4,25,861)	Sale	1,41,30,039	2.13
				27-06-2019	(15,74,139)	Sale	1,25,55,900	1.89
				28-06-2019	(10,00,000)	Sale	1,15,55,900	1.74
				28-11-2019	(10,00,000)	Sale	1,05,55,900	1.59
				03-12-2019	(17,00,000)	Sale	88,55,900	1.33
				11-12-2019	(10,45,560)	Sale	78,10,340	1.18
				13-12-2019	(15,00,000)	Sale	63,10,340	0.95
				20-12-2019	(15,00,000)	Sale	48,10,340	0.72
				31-12-2019	(32,54,440)	Sale	15,55,900	0.23
	At the end of the year (March 31, 2020)						15,55,900	0.23
15.	Infinium Communication Private Limited	1,05,07,880	1.58	26-06-2019	(10,00,000)	Sale	95,07,880	1.43
				27-06-2019	(5,00,000)	Sale	90,07,880	1.36
				28-06-2019	(85,00,000)	Sale	5,07,880	0.08
	At the end of the year (March 31, 2020)						5,07,880	0.08
16.	Infinium Motors Private Limited	5,30,47,220	8.00	No Change			5,30,47,220	7.98
17.	Infinium Motors (Gujarat) Private Limited	48,34,655	0.73	No Change			48,34,655	0.73
18.	O3 Developers Private Limited *(Formerly known as Infinium Natural Resources Investments Private Limited)*	70,40,024	1.06	02-12-2019	(10,00,000)	Sale	60,40,024	0.91
				03-12-2019	(5,05,00)	Sale	55,35,024	0.83
	At the end of the year (March 31, 2020)						55,35,024	0.83
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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2019)		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*
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	2,92,50,000	4.41				
	At the end of the year					2,92,50,000	4.40
2.	Mayur Mukundbhai Desai HUF	1,90,00,000	2.86				
	At the end of the year					1,90,00,000	2.86
3.	Globe Commodities Ltd.	28,476	0.00				
	Sale			05-04-2019	(4,005)	24,471	0.00
	Sale			12-04-2019	(20,475)	3,996	0.00
	Purchase			10-05-2019	359	4,355	0.00
	Sale			17-05-2019	(700)	3,655	0.00
	Sale			24-05-2019	(1,130)	2,525	0.00
	Purchase			07-06-2019	2,311	4,836	0.00
	Sale			14-06-2019	(3,608)	1,228	0.00
	Sale			29-06-2019	(525)	703	0.00
	Purchase			19-07-2019	1,49,297	1,50,000	0.02
	Purchase			26-07-2019	2,75,000	4,25,000	0.06
	Sale			13-09-2019	(2,65,000)	1,60,000	0.02
	Purchase			18-10-2019	3,00,000	4,60,000	0.07
	Purchase			08-11-2019	30,40,000	35,00,000	0.53
	Purchase			29-11-2019	10,85,000	45,85,000	0.69
	Sale			06-12-2019	(1,50,000)	44,35,000	0.67
	Purchase			13-12-2019	22,79,000	67,14,000	1.01
	Purchase			20-12-2019	1,00,000	68,14,000	1.03
	Sale			27-12-2019	(5,20,000)	62,94,000	0.95
	Purchase			03-01-2020	61,25,000	1,24,19,000	1.87
	Purchase			10-01-2020	50,000	1,24,69,000	1.88
	Purchase			17-01-2020	1,25,000	1,25,94,000	1.89
	Purchase			24-01-2020	29,00,000	1,54,94,000	2.33
	Purchase			31-01-2020	60,000	1,55,54,000	2.34
	Purchase			07-02-2020	53,500	1,56,07,500	2.35
	Purchase			14-02-2020	70,500	1,56,78,000	2.36
	Sale			28-02-2020	(2,25,000)	1,54,53,000	2.32
	Sale			13-03-2020	(11,000)	1,54,42,000	2.32
	Sale			20-03-2020	(4,02,000)	1,50,40,000	2.26
	Purchase			27-03-2020	30,000	1,50,70,000	2.27
	At the end of the year					1,50,70,000	2.27
4.	Sonal Mayurbhai Desai	1,49,85,000	2.26				
	At the end of the year					1,49,85,000	2.26

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.	Globe Capital Market Limited	7,46,481	0.11				
	Sale			05-04-2019	(74,882)	6,71,599	0.10
	Sale			12-04-2019	(1,81,635)	4,89,964	0.07
	Sale			19-04-2019	(25,982)	4,63,982	0.07
	Purchase			26-04-2019	1,53,748	6,17,730	0.09
	Purchase			03-05-2019	75,779	6,93,509	0.10
	Sale			10-05-2019	(18,695)	6,74,814	0.10
	Sale			17-05-2019	(24,091)	6,50,723	0.10
	Purchase			24-05-2019	1,76,643	8,27,366	0.12
	Sale			31-05-2019	(9,774)	8,17,592	0.12
	Sale			07-06-2019	(2,67,343)	5,50,249	0.08
	Purchase			14-06-2019	2,37,404	7,87,653	0.12
	Sale			21-06-2019	(1,97,016)	5,90,637	0.09
	Purchase			29-06-2019	1,55,227	7,45,864	0.11
	Purchase			05-07-2019	3,83,187	11,29,051	0.17
	Purchase			12-07-2019	2,81,316	14,10,367	0.21
	Sale			19-07-2019	(63,321)	13,47,046	0.20
	Sale			26-07-2019	(20,020)	13,27,026	0.20
	Sale			02-08-2019	(4,28,318)	8,98,708	0.14
	Purchase			09-08-2019	3,88,321	12,87,029	0.19
	Purchase			16-08-2019	34,80,222	47,67,251	0.72
	Sale			23-08-2019	(4,290)	47,62,961	0.72
	Sale			30-08-2019	(1,407)	47,61,554	0.72
	Purchase			06-09-2019	20,86,108	68,47,662	1.03
	Purchase			13-09-2019	19,36,969	87,84,631	1.32
	Purchase			20-09-2019	1,14,789	88,99,420	1.34
	Sale			27-09-2019	(2,10,817)	86,88,603	1.31
	Purchase			30-09-2019	3,765	86,92,368	1.31
	Sale			04-10-2019	(1,03,600)	85,88,768	1.29
	Sale			11-10-2019	(9,800)	85,78,968	1.29
	Purchase			18-10-2019	2,69,766	88,48,734	1.33
	Purchase			25-10-2019	9,11,474	97,60,208	1.47
	Sale			01-11-2019	(6,84,095)	90,76,113	1.37
	Sale			08-11-2019	(26,07,906)	64,68,207	0.97
	Purchase			15-11-2019	55,123	65,23,330	0.98
	Sale			22-11-2019	(23,764)	64,99,566	0.98
	Sale			29-11-2019	(3,13,360)	61,86,206	0.93
	Purchase			06-12-2019	58,952	62,45,158	0.94
	Purchase			13-12-2019	75,632	63,20,790	0.95
	Purchase			20-12-2019	18,77,470	81,98,260	1.23
	Sale			27-12-2019	(8,84,510)	73,13,750	1.10
	Purchase			31-12-2019	25,470	73,39,220	1.10
	Purchase			03-01-2020	9,97,985	83,37,205	1.25
	Purchase			10-01-2020	4,32,073	87,69,278	1.32
	Sale			17-01-2020	(34,670)	87,34,608	1.31
	Purchase			24-01-2020	26,02,657	1,13,37,265	1.71
	Sale			31-01-2020	(11,65,051)	1,01,72,214	1.53
	Sale			07-02-2020	(12,77,370)	88,94,844	1.34
	Sale			14-02-2020	(1,21,213)	87,73,631	1.32
	Sale			21-02-2020	(5,292)	87,68,339	1.32
	Purchase			28-02-2020	6,20,129	93,88,468	1.41
	Sale			06-03-2020	(38,934)	93,49,534	1.41
	Sale			13-03-2020	(2,68,932)	90,80,602	1.37

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*
	Sale			20-03-2020	(13,13,732)	77,66,870	1.17
	Purchase			27-03-2020	8,54,951	86,21,821	1.30
	Purchase			31-03-2020	56,34,596	1,42,56,417	2.14
	At the end of the year					1,42,56,417	2.14
6.	Desai Abhishek Mayur	1,42,25,801	2.14				
	At the end of the year					1,42,25,801	2.14
7.	Mayur Mukundbhai Desai	1,17,75,821	1.78				
	Sale			31-05-2019	(20,000)	1,17,55,821	1.77
	Purchase			07-06-2019	20,000	1,17,75,821	1.77
	Purchase			05-07-2019	1,16,000	1,18,91,821	1.79
	Sale			16-08-2019	(15,20,000)	1,03,71,821	1.56
	Sale			23-08-2019	(5,000)	1,03,66,821	1.56
	Purchase			11-10-2019	14,99,303	1,18,66,124	1.79
	Sale			13-12-2019	(50,000)	1,18,16,124	1.78
	Sale			24-01-2020	(5,000)	1,18,11,124	1.78
	At the end of the year					1,18,11,124	1.78
8.	Vadathavoor V. S.	1,08,97,745	1.64				
	At the end of the year					1,08,97,745	1.64
9.	Elara India Opportunities Fund Limited	10,00,000	0.15				
	Purchase			31-05-2019	22,00,000	32,00,000	0.48
	Purchase			21-06-2019	21,00,000	53,00,000	0.80
	Purchase			29-06-2019	41,25,000	94,25,000	1.42
	Sale			05-07-2019	(13,00,000)	81,25,000	1.22
	Purchase			09-08-2019	6,20,000	87,45,000	1.32
	Purchase			16-08-2019	75,500	88,20,500	1.33
	Purchase			20-12-2019	16,00,000	1,04,20,500	1.57
	Purchase			27-12-2019	1,50,000	1,05,70,500	1.59
	At the end of the year					1,05,70,500	1.59
10.	The Ezrah Charitable Trust	1,21,94,995	1.84				
	Sale			06-12-2019	(11,05,348)	1,10,89,647	1.67
	Sale			13-12-2019	(1,24,604)	1,09,65,043	1.65
	Sale			20-12-2019	(5,51,558)	1,04,13,485	1.57
	Sale			27-12-2019	(4,305)	1,04,09,180	1.57
	Sale			06-03-2020	(6,51,138)	97,58,042	1.47
	Sale			13-03-2020	(2,234)	97,55,808	1.47
	At the end of the year					97,55,808	1.47
11.	Vivek Vishwas Patel	97,50,000	1.47				
	At the end of the year					97,50,000	1.47
12.	Kalyanaraman Srinivasan	96,45,200	1.45				
	Sale			19-04-2019	(11,80,000)	84,65,200	1.27
	At the end of the year					84,65,200	1.27

* % 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: No. of shares At the beginning (01-04-2019) / end of the year (31-03-2020)	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*
Directors								
1	Mr. Ajit Mehta	3,01,14,780	4.54	01-04-2019	NIL Movement during the year		3,01,14,780	4.53
		3,01,14,780	4.53	31-03-2020			3,01,14,780	4.53
2	Mr. Vishal Mehta@	5,99,59,400	9.04	01-04-2019	NIL Movement during the year		5,99,59,400	9.02
		5,99,59,400	9.02	31-03-2020			5,99,59,400	9.02
3	Mr. Malav Mehta	1,70,24,200	2.57	01-04-2019				
				27-09-2019	(25,00,000)	Sale	1,45,24,200	2.19
				28-11-2019	(10,00,000)	Sale	1,35,24,200	2.03
				31-12-2019	(30,00,000)	Sale	1,05,24,200	1.58
		1,05,24,200	1.58	31-03-2020			1,05,24,200	1.58
4	Mr. Vishwas Patel	7,65,95,662	11.55	01-04-2019	NIL Movement during the year		7,65,95,662	11.52
		7,65,95,662	11.52	31-03-2020			7,65,95,662	11.52
5	Mr. Keyoor Bakshi	0	0.00	01-04-2019	NIL Movement during the year		0	0.00
		0	0.00	31-03-2020			0	0.00
6	Mr. Roopkishan Dave	1,000	0.00	01-04-2019	NIL Movement during the year		1,000	0.00
		1,000	0.00	31-03-2020			1,000	0.00
7	Ms. Vijaylaxmi Sheth	0	0.00	01-04-2019	NIL Movement during the year		0	0.00
		0	0.00	31-03-2020			0	0.00
8	Mr. Piyushkumar Sinha	0	0.00	01-04-2019	NIL Movement during the year		0	0.00
		0	0.00	31-03-2020			0	0.00
Key Managerial Personnel								
1	Mr. Vishal Mehta@	5,99,59,400	9.04	01-04-2018	NIL Movement during the year		5,99,59,400	9.02
		5,99,59,400	9.02	31-03-2019			5,99,59,400	9.02
2	Mr. Hiren Padhya	94,000	0.01	01-04-2019				
				20-12-2019	8,750	ESOP Allotment	1,02,750	0.01
		1,02,750	0.01	31-03-2020			1,02,750	0.01
3	Mr. Shyamal Trivedi	25,340	0.00	01-04-2019				
				01-10-2019	25,000	ESOP Allotment	50,340	0.00
				20-12-2019	17,500	ESOP Allotment	67,840	0.01
		67,840	0.00	31-03-2020			67,840	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	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**
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	270.00	-	-	270.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.08	-	-	0.08
Total (i+ii+iii)	**270.08**	**-**	**-**	**270.08**

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	0.33	0.20	0.12	0.29	0.94
2	Commission	0	0	0	0	0
3	Others, please specify (Salary, bonus and contribution to PF)	0	0	0	0	0
	Total (1)	**0.33**	**0.20**	**0.12**	**0.29**	**0.94**

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	0.23	0.29	0.52
2	Commission	0	0	0
3	Others, please specify	0	0	0
	Total (2)	**0.23**	**0.29**	**0.52**
	Total (B)=(1+2)			**1.46**
	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		
		CS	CFO	Total
		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	3.30	4.60	7.90
	(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	1.78	0.40	2.19
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	**5.08**	**5.01**	**10.09**

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, 2020.

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
		Key Managerial Personnel	Nil
III	Percentage increase in the median remuneration of employees in the financial year	7%	
IV	Number of permanent employees on the rolls of Company	681	
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 7% and NIL 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, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone IND AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone IND AS financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone IND AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND AS financial statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone IND AS financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors Response
1.	**Goodwill Impairment testing and Impact of COVID-19 thereon**	**Principal Audit Procedures**
	Included on the balance sheet is an intangible assets balance of ₹ 18771.08 Million as on March 31, 2020 which relates to goodwill of ₹ 16124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ₹ 2646.90 million are classified as other Intangible Assets. On account of prevalent financial, economic and health crises caused due to global pandemic – COVID-19, having impact on the assumptions used for the continuity of operations and thus having further impact on the assessment of impairment of goodwill having indefinite useful life. The Company has prepared cash flow projections and believes it has sufficient liquidity based on the available liquid cash and the expected cash to be generated from operations to meet its financial obligations as they fall due for the following twelve months. The Company is required to perform impairment assessments of goodwill annually. For intangible assets with useful lives, the Company is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives.	Focusing on Infibeam Avenues Ltd business, we understood, evaluated and validated management's key controls over the impairment assessment process. The company had obtained a valuation report from external independent valuer. On observing the same, following audit procedures were adopted: • Evaluating the methodical and mathematical accuracy of the model used for the impairment testing, the appropriateness of the assumptions, and the methodology used to prepare its cash flow forecasts. • gaining an understanding and assessing the reasonableness of business plans by comparing them to prior year's assumptions; • comparing the current years actual results included in the model to consider whether forecasts including assumptions that, with hindsight, have been appropriate. • discussing the potential changes in key drivers as compared to previous year / actual performance with management and considering impact of COVID-19 in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.

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, 2020. The above assessment factoring impact of COVID-19 on continuity of its operations and thereupon on annual impairment of goodwill having indefinite useful life is considered as significant accounting judgement and estimate (Note 34(17) to the standalone Ind - AS financial statements) and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the standalone financial statements as a whole.	• recalculating the value in use calculations • challenging the robustness of the key assumptions used to determine the value in use, including the allocation of goodwill to the adequate CGUs, cash flow forecasts, long-term growth rates and the discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible; We also considered the appropriateness of disclosures in the standalone IND AS financial statements and conclude that our audit procedures did not lead to any reservations regarding the goodwill impairment test.

Information Other than the Standalone IND AS financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone IND AS financial statements and our report thereon.

Our opinion on the standalone IND AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone IND AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone IND AS financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the standalone IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone IND AS financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone IND AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone IND AS financial statements, including the disclosures, and whether the standalone IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order,2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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
UDIN: 20103840AAAAGK4565
Place of Signature: Gandhinagar
Date: June 5, 2020

Annexure A referred to in Para 1 of the Independent Auditors Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone IND AS financial statements for the year ended March 31, 2020, we report the following:

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

   B) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on annual basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. In accordance with the policy, the Company has physically verified the fixed assets during the year and we are informed that no material discrepancies were noticed upon such verification.

   C) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

2) The Company is a service company, primarily rendering website development and maintenance services (Web Services) and payment gateway services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

3) A) The Company has granted loans to 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 principle and interest as stipulated.

   C) There are no amounts of loans granted to Company listed in the register maintained under Section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

4) In our opinion and according to the information and explanations given to us, provisions of Section 185 of the Companies Act 2013 in respect to loans to directors including entities in which they are interested and in respect of loans and advances given have been complied with by the Company. The Company has not granted any guarantees and securities during the year. In our opinion, and according to the information and explanations given to us, the Company has made investment referred in Section 186 of the Act and have complied with the provisions of Section 186 of the Act.

5) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.

6) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

7) A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including, income-tax, provident fund, employee state insurance, duty of customs, goods and services tax, professional tax, cess and other material statutory dues are generally regularly deposited during the year however there have been delays in few cases of payment of, professional tax, employee state insurance, provident fund and tax deducted at source (TDS). As explained to us, the Company did not have any dues on account of sales tax, value added tax and service tax during the year.

   B) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2020, for a period of more than six months from the date they became payable except professional tax of ₹ 0.2 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 Statue	Nature of Dues	Amount involved	Period to which amount pertains	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demands	3.32 millions	2012-13 and 2013-14	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 ₹ 251.5 million. During the year, the Company has fully utilized the remaining amount of ₹ 251.5 million as per the IPO objects and there is no deviation of utilization of funds. 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 standalone IND-AS financial statements, as required by the applicable accounting standards.

14) According to the information and explanations given by the management, the Company has not made preferential allotment or private placement of shares or fully convertible debentures during the year.

15) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

Ramesh Pipalawa
Partner
Membership Number: 103840
UDIN: 20103840AAAAGK4565
Place of Signature: Gandhinagar
Date: June 5, 2020

Annexure B referred in para 2 of the Independent Auditors Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone IND AS financial statements of Infibeam Avenues Limited *(formerly known as Infibeam Incorporation Ltd)* ("the Company") as of March 31, 2020 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, 2020, 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
UDIN: 20103840AAAAGK4565
Place of Signature: Gandhinagar
Date: June 5, 2020

Balance Sheet

as at 31st March, 2020

(₹ in million)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets			
Property, Plant and Equipment	5	2,347.06	1,607.98
Capital work-in-progress	5	-	217.13
Goodwill	6	16,124.18	16,124.18
Other intangible assets	6	2,646.90	2,778.09
Intangible assets under development	6	-	107.37
Financial assets	7		
(i) Investments		3,006.88	2,211.46
(ii) Other financial assets		471.76	97.93
Non-Current tax assets (net)	9	182.34	116.14
Other non-current assets	8	44.24	893.48
Total non-current assets		**24,823.36**	**24,153.76**
II. Current assets			
Financial assets	7		
(i) Trade receivables		192.90	124.14
(ii) Cash and cash equivalents		778.93	1,228.65
(iii) Bank balance other than (ii) above		125.12	10.75
(iv) Loans		46.13	113.34
(v) Others financial assets		741.43	758.63
Other current assets	8	2,204.39	2,641.54
Total current assets		**4,088.90**	**4,877.05**
Assets held for sale	7	302.72	907.88
Total Assets		**29,214.98**	**29,938.69**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	664.72	663.39
Other equity	11	25,688.77	25,331.92
Total equity		**26,353.49**	**25,995.31**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities	12		
(i) Borrowings		175.81	263.70
(ii) Other financial liabilities		34.66	-
Provisions	13	43.07	42.12
Deferred tax liabilities (net)	24	287.45	187.41
Total non-current liabilities		**540.99**	**493.23**
II. Current liabilities			
Financial liabilities	12		
(i) Borrowings		87.90	87.90
(ii) Trade payables:			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		2.30	3.07
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		73.80	26.71
(iii) Other financial liabilities		178.47	213.38
Provisions	13	12.20	4.78
Current tax liabilities (net)	24	47.76	47.76
Other current liabilities	14	1,918.07	3,066.55
Total current liabilities		**2,320.50**	**3,450.15**
Total equity and liabilities		**29,214.98**	**29,938.69**
Summary of significant accounting policies	1 - 4		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Place : Gandhinagar
Dated : June 05, 2020

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

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in million)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	15	5,863.58	5,446.56
Other income	16	90.30	92.42
Total income (I)		**5,953.88**	**5,538.98**
Expenses			
Payment gateway processing charges		3,810.41	3,805.52
Employee benefits expense	17	491.92	432.43
Finance costs	18	42.19	46.81
Depreciation and amortization expenses	19	749.81	464.17
Other expenses	20	260.98	313.16
Total expenses (II)		**5,355.31**	**5,062.09**
Profit before exceptional item and tax (III) = (I - II)		**598.57**	**476.89**
Exceptional items (IV)	20	-	140.00
Profit before tax (V) = (III-IV)		**598.57**	**616.89**
Income Tax expenses	24		
Current tax		112.52	133.35
Deferred tax (net)		100.04	94.34
Total Income tax expense (VI)		**212.56**	**227.69**
Profit for the year (VII) = (V-VI)		**386.01**	**389.20**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		(1.17)	(4.28)
Income tax effect on above		-	-
Total other comprehensive income for the year, net of tax (VIII)		**(1.17)**	**(4.28)**
Total comprehensive income for the year, net of tax (IX) = (VII + VIII)		**384.84**	**384.92**
Earning per equity share [nominal value per share ₹ 1/- (March 31, 2019: ₹ 1/-)]	27		
Basic		0.58	0.58
Diluted		0.58	0.57
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

Place : Gandhinagar
Dated : June 05, 2020

Vishal Mehta
Managing Director
DIN: 03093563

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Statement of changes in Equity

as at 31st March, 2020

A. Equity share capital

(₹ in million)

Particulars	Note 10
As at March 31, 2018	**542.78**
Issue of Equity Share capital	120.61
As at March 31, 2019	**663.39**
Issue of Equity Share capital	1.33
As at March 31, 2020	**664.72**

B. Other equity

(₹ in million)

Particulars	Reserves and surplus									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	Capital Reserve	
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Balance as at March 31, 2018	**204.95**	**7,426.82**	**94.12**	**(75.79)**	**17,715.31**	**(278.71)**	**-**	**100.00**	**-**	**25,186.69**
Profit for the year				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**
Transfer to securities premium on exercise of options	(31.08)	31.08								-
Shares 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	**239.20**	**25,054.40**	**105.22**	**229.16**	**-**	**(396.06)**	**-**	**100.00**	**-**	**25,331.91**
Profit for the year				386.01						**386.01**

Statement of changes in Equity

for the year ended March 31, 2020

(₹ in million)

Particulars	Reserves and surplus									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	Capital Reserve	
	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	Note 11	
Other comprehensive income for the year				(1.17)						**(1.17)**
Total Comprehensive income for the year				**384.84**						**384.84**
Employee compensation expense for the year	52.16									**52.16**
Transfer to securities premium on exercise of options	(82.33)	82.33								-
Interim Dividend paid including taxes				(79.45)						**(79.45)**
IND AS 116 "Leases" transition impact				(0.70)						**(0.70)**
Transfer on forfeiture of equity share warrants								(100.00)	100.00	-
On lapse of stock options	(2.10)		2.10							-
Balance as at March 31, 2020	**206.93**	**25,136.73**	**107.32**	**533.85**	**-**	**(396.06)**	**-**	**-**	**100.00**	**25,688.76**

* Represents amount less than one million

Securities Premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

General Reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Place : Gandhinagar
Dated : June 05, 2020

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

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Statement of cash flows

for the year ended March 31, 2020

(₹ in million)

	Particulars	March 31, 2020	March 31, 2019
A	**Cash flows from operating activities**		
	Profit before tax	598.57	616.89
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	749.81	464.17
	Employee stock option expense (net)	42.04	34.87
	Finance costs	42.19	46.81
	Interest Income	(69.86)	(56.56)
	Short term capital gain on sale of mutual fund	(1.46)	(6.56)
	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) (net)	(7.49)	(0.16)
	Balances written off	-	4.53
	Allowance for doubtful debts	12.45	12.83
	Operating profit before working capital changes	**1,366.25**	**976.82**
	Adjustments for:		
	Increase / (decrease) in trade and other payables	(1,043.04)	1,311.98
	Movement in provisions	7.16	9.40
	(Increase)/decrease in trade receivables	(73.72)	241.17
	(Increase)/decrease in other assets	162.19	(540.00)
	Net changes in working capital	**(947.41)**	**1,022.55**
	Cash generated from operations	418.84	1,999.37
	Direct Taxes paid (Net of Income Tax refund)	(178.72)	(202.19)
	Net cash flows from operating activities	**240.12**	**1,797.18**
B	**Cash flow from investing activities**		
	Payment for acquisition of property, plant and equipment and intangible asset (including capital work-in-progress, intangible under development and capital advances)	(413.25)	(262.61)
	Government grant received	95.85	-
	Repayment of Loans and advances by subsidiaries	153.66	2,441.99
	Loans and advances given to subsidiaries	(75.39)	(1,199.54)
	Loans and advances given to / (repayment by) others (net)	(11.05)	0.55
	Interest received	71.63	57.03
	Fixed deposits with bank (net)	(114.37)	201.88
	Investments for acquisition of shares	(190.26)	(2,234.87)
	Proceeds from buyback of Shares	-	0.02
	Purchase of mutual fund	(550.50)	(1,352.50)
	Proceeds from sale of mutual fund	551.96	1,361.16
	Net cash flow from investing activities	**(481.72)**	**(986.89)**

Statement of cash flows

for the year ended March 31, 2020

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
C Cash flow from financing activities		
Dividend paid	(65.28)	(65.93)
Dividend distribution tax paid	(14.06)	(13.86)
Proceeds from exercise of ESOP	1.33	0.75
Treasury Shares and corpus	-	(117.35)
Interest paid	(42.22)	(46.83)
Proceeds / repayment of borrowings (net)	(87.89)	(217.91)
Net cash flow from financing activities	**(208.12)**	**(461.13)**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**(449.72)**	**349.16**
Cash & Cash equivalent at the beginning of the year	1,228.65	879.49
Cash & Cash equivalent at the end of the year	778.93	1,228.65

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (IND AS) - 7 "Statement of Cash Flows" issued by the Institute of Chartered Accountants of India.

(₹ in million)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Cash and cash equivalents comprise of: (Note 7)		
Balance with Bank		
(a) Current accounts	566.20	522.30
(b) Balance with bank in Nodal Accounts	212.42	706.12
Cash on hand	0.31	0.23
Cash and cash equivalents	**778.93**	**1,228.65**

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

Place : Gandhinagar

Dated : June 05, 2020

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

Place : Gandhinagar

Date : June 05, 2020

Ajit Mehta

Chairman

DIN: 01234707

Place : Gandhinagar

Date : June 05, 2020

Hiren Padhya

Chief Financial Officer

Place : Gandhinagar

Date : June 05, 2020

Shyamal Trivedi

Company Secretary

Place : Gandhinagar

Date : June 05, 2020

Notes to the Financial Statements

for the year ended 31st March, 2020

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 June 05, 2020.

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.

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

Notes to the Financial Statements

for the year ended 31st March, 2020

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 ₹ 215.39 million of MAT tax credits carried forward. These credits expire in 10 - 15 years. The Company does not have tax planning opportunities available that could support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the MAT tax credits carried forward.

If the Company was able to recognise unrecognised deferred MAT tax assets, profit and equity would have increased by ₹ 215.39 million. Further details on taxes are disclosed in Note 24.

3.5. Intangible asset including intangible asset under development

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, future economic benefits are probable. The costs which can be capitalized include the salary and ESOP cost of employees that are directly attributable to development of the asset for its intended use. Research and maintenance costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer Note 4.6 for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in Note 6.

3.6. Property, plant and equipment

Refer Note 4.5 for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 5.

3.7. Revenue recognition

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

3.8. Investments

Investment in subsidiaries and associates is carried at cost in the standalone financial statements.

4. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the company in preparing its financial statements:

4.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.2. Business combinations and goodwill

Business combinations are accounted for using the acquisition method prescribed under IND AS. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value.

Acquisition related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

4.3. Foreign currencies

The company's financial statements are presented in 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.

Notes to the Financial Statements

for the year ended 31st March, 2020

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

4.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

4.5. Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment's assets as recognised in its previous GAAP financial as deemed cost at the transition date, i.e., 1 April 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. The cost of assets acquired in a business combination is their fair value at the date of acquisition. When significant parts of Property, plant and

Notes to the Financial Statements

for the year ended 31st March, 2020

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.

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

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for building. The Company assesses whether a contract contains a lease, at

Notes to the Financial Statements

for the year ended 31st March, 2020

inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in other current and non-current financial liabilities.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially

Notes to the Financial Statements

for the year ended 31st March, 2020

all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.

4.8. Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to expense item is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets (i.e. those whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets), including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset, in which case the grant is recognised in profit or loss as a reduction of depreciation expense.

4.9. Non-current assets held for sale

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.

4.10. Impairment of non-financial assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generated unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

4.11. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4.12. Revenue Recognition

Rendering of services

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

Revenue from Web Services is recognised upfront at the point in time when the service is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises, these service is recognised proportionally over the period.

Registry Services revenues primarily arise from fixed fees charged to registrars for the initial registration or renewal of .ooo domain names. Revenues from the initial registration or renewal of domain names are deferred and recognized rateably over the registration term, generally one year and up to ten years. Fees for renewals and advance extensions to the existing term are deferred until the new incremental period commences. These fees are then recognized rateably over the renewal term.

Revenue is measured based on the consideration specified in a contract with the customer and excludes amounts collected on behalf of customers. The Company presents revenue net of discounts and collection charges. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Excess billing over revenue ("contract liability") is recognised when there is billing in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by offering and geography.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date as per contract.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its nature.

Export incentives

Export incentives are accounted on accrual basis based on services rendered.

4.13. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement.

All financial assets, except investment in subsidiaries and joint ventures, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Notes to the Financial Statements

for the year ended 31st March, 2020

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments measured at fair value through statement of profit and loss (FVTPL)
- *Debt instruments at amortised cost:*
  A debt instrument is measured at amortised cost if both the following conditions are met:
  - the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.
- *Debt instruments at fair value through other comprehensive income (FVTOCI)*
  A debt instrument is measured at fair value through other comprehensive income if both of the following criteria are met:
  - the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  - the asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.
- *Debt instruments at fair value through profit or loss (FVTPL)*
  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

  Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Notes to the Financial Statements

for the year ended 31st March, 2020

- *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 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.

Notes to the Financial Statements

for the year ended 31st March, 2020

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 value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

- *Loans and Borrowings*

  After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

  This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.14. Cash and cash equivalent

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

4.15. Treasury shares

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to the Financial Statements

for the year ended 31st March, 2020

4.16. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Notes to the Financial Statements

for the year ended 31st March, 2020

said asset will be created by way of tax credit to the Statement of profit and loss.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. All other acquired tax benefits realised are recognised in profit or loss.

4.17. Retirement and other employee benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

b) Post-Employment Benefits

(i) Defined benefit plan

Gratuity benefit scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet reduced by the fair value of any plan assets. The discount rate used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company has not invested in any fund for meeting liability.

4.18. Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to the Financial Statements

for the year ended 31st March, 2020

Employee Stock Appreciation Rights (SAR)

The company has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. IEW trust purchases Company's shares out of funds provided by the Company. Accordingly, the Company has approved the grant of Employee Stock Appreciation Rights (SARs) to the eligible employees of the Company. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

The Company follows the intrinsic value method to account for its Employee Stock Appreciation Rights (SARs). Compensation cost is measured by the excess, if any, of the market price of the underlying stock over the exercise price as determined under the option plan. The market price is the closing price on the stock exchange where there is highest trading volume on the working day immediately preceding the date of grant. Compensation cost, if any, is amortised over the vesting period.

4.19. Earnings per share

Basic EPS amounts are calculated by dividing the profit or loss for the year attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

4.20. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

4.21. Dividend distribution

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

4.22. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Provision in respect of contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation

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for the year ended 31st March, 2020

whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

4.23. Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below. Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the standalone financial statements of the Company.

(i) Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor. The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application being April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. Refer note 31 for detailed impact on adoption of Ind AS 116 "Leases" on the financial statements of the Company.

(ii) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

1. Whether an entity considers uncertain tax treatments separately
2. The assumptions an entity makes about the examination of tax treatments by taxation authorities
3. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
4. How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. In determining the approach that better predicts the resolution of the uncertainty, the Company has considered, for example; (a) how it prepares its income tax filings and

Notes to the Financial Statements

for the year ended 31st March, 2020

supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the standalone financial statements of the Company.

(iii) Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments have no impact on the standalone financial statements of the Company.

(iv) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

(a) Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.

(b) Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the standalone financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

(v) Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

These amendments had no impact on the standalone financial statements as the Company is in compliance with the said amendment

4.24. Annual Improvements to Ind AS 2018

(i) Ind AS 103 Business Combinations

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation. An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019.

These amendments had no impact on the standalone financial statements of the Company as there is no transaction where joint control is obtained.

Notes to the Financial Statements

for the year ended 31st March, 2020

(ii) Ind AS 111 Joint Arrangements

An entity that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured. An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after April 1, 2019.

These amendments had no impact on the standalone financial statements of the company as there is no transaction where a joint control is obtained.

(iii) Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, they had no impact on the standalone financial statements of the Company.

(iv) Ind AS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, they had no impact on the standalone financial statements of the Company

4.25.Standards issued but not yet effective

There are no standards that are issued but not yet effective on March 31, 2020.

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for the year ended 31st March, 2020

5. Property, plant and equipment

(₹ in million)

Particulars	Building	Vehicles	Electronic Equipment	Furniture & fixture	Leasehold improvements	Office equipment	Computer, server & network	Right to use asset Leasehold Building	Capital Work in Progress	Total
Cost										
As at March 31, 2018	**1,535.69**	**11.46**	**28.74**	**64.97**	**32.77**	**11.87**	**47.10**	**-**	**233.09**	**1,965.70**
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**	**33.03**	**14.71**	**58.06**	**-**	**217.13**	**2,058.00**
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer note ii below)	-	-	-	-	-	-	-	60.13	-	60.13
Additions	154.49	9.88	7.98	0.14	-	0.43	857.79	-	393.04	1,423.75
Capitalized	-	-	-	-	-	-	-	-	(610.17)	(610.17)
Disposals/Adjustments (Refer note iii below)	(85.85)	-	-	-	-	-	(10.00)	-	-	(95.85)
As at March 31, 2020	**1,696.12**	**21.34**	**37.03**	**67.21**	**33.03**	**15.14**	**905.85**	**60.13**	**0.00**	**2,835.86**
Depreciation										
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**
Depreciation for the year	73.25	1.91	7.42	9.68	2.51	2.23	143.97	14.94	-	255.91
As at March 31, 2020	186.88	9.49	21.28	41.69	21.02	12.51	180.98	14.94	-	488.79
Net Block										
As at March 31, 2020	**1,509.24**	**11.85**	**15.75**	**25.52**	**12.01**	**2.63**	**724.87**	**45.19**	**0.00**	**2,347.07**
As at March 31, 2019	**1,513.85**	**3.88**	**15.19**	**35.06**	**14.52**	**4.43**	**21.05**	**-**	**217.13**	**1,825.12**

Net book value

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Property, Plant and Equipment	2,347.06	1,607.98
Capital Work-in-progress	0.00	217.13

Notes:

i. 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.

ii. Right to use assets - Leasehold Building represents properties taken on lease for office accounted for in accordance with principal of Ind AS 116 "Leases". (refer note 31)

iii. Disposals/adjustments includes an adjustment on account of Government grant received for capital investment accounted for in accordance with principal of Ind AS 20 "Accounting for Government Grants and

Disclosure of Government Assistance". Refer Note 40

Notes to the Financial Statements

for the year ended 31st March, 2020

6. Goodwill, other intangible assets and intangible assets under development

(₹ in million)

Particulars	Goodwill	Computer Software	IT Platform	Trademark	Customer Relationship	Intangible assets under development	Total
Cost							
As at March 31, 2018	**16,124.18**	**349.48**	**360.10**	**597.80**	**1,563.10**	**100.47**	**19,095.12**
Additions	-	677.12	-	-	-	6.90	684.02
Capitalised	-	-	-	-	-	-	-
As at March 31, 2019	**16,124.18**	**1,026.60**	**360.10**	**597.80**	**1,563.10**	**107.37**	**19,779.14**
Additions	-	362.70	-	-	-	-	362.70
Capitalised	-	-	-	-	-	(107.37)	(107.37)
As at March 31, 2020	**16,124.18**	**1,389.30**	**360.10**	**597.80**	**1,563.10**	**-**	**20,034.47**
Amortisation							
As at March 31, 2018	**-**	**177.75**	**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	**-**	**265.03**	**144.04**	**47.82**	**312.62**	**-**	**769.52**
Amortisation for the Year		241.65	72.02	23.91	156.31		493.89
As at March 31, 2020	**-**	**506.68**	**216.06**	**71.73**	**468.93**	**-**	**1,263.41**
Net Block							
As at March 31, 2020	**16,124.18**	**882.62**	**144.04**	**526.07**	**1,094.17**	**-**	**18,771.06**
As at March 31, 2019	**16,124.18**	**761.57**	**216.06**	**549.98**	**1,250.48**	**107.37**	**19,009.62**

Net book value

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Goodwill	16,124.18	16,124.18
Other Intangible assets	2,646.90	2,778.09
Intangible assets under development	-	107.37

Intangible assets under development as at 31st March 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 uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments. Management determined budgeted gross margin based on past performance and its expectations of market development. The calculations performed indicate that there is no impairment of Goodwill of the company. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of Goodwill.

Notes to the Financial Statements

for the year ended 31st March, 2020

7. Financial assets

7 (i) Investments

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
NON CURRENT		
Investment stated at cost		
(A) Investment in Equity Instrument		
a. Investment in Subsidiaries (Unquoted)		
Infibeam Logistics Private Limited		
3,75,09,990 (31 March 2019:3,75,09,990) equity shares	375.10	375.10
Infibeam Digital Entertainment Private Limited		
3,145,000 (31 March 2019: 3,145,000) equity shares	31.45	31.45
Less: Provision for diminution in value of investments in equity shares	(31.45)	(31.45)
Odigma Consultancy Solutions Private Limited		
1,00,000 (31 March 2019:10,000) equity shares	110.35	0.10
DRC Systems India Limited (formerly known as DRC Systems India Private Limited) #		
11,47,500 (31 March 2019: 6,88,500) equity shares	30.60	30.60
Vavian International Limited		
13,800 (31 March 2019: 10,000) equity shares	289.99	209.98
Avenues Infinite Private Limited **		
20,00,000 (31 March 2019: 20,00,000) equity shares	615.16	10.00
Less: Allowance for diminution in value of investments in equity shares	(10.00)	(10.00)
	1,411.20	**615.78**
b. Investment in Associates (Unquoted)		
Instant Global Paytech Private Limited		
14,400 (31 March, 2019: 14,400) equity shares	60.00	60.00
Infibeam Global EMEA FZ - LLC		
36,016 (31 March 2019: 36,016) equity shares	675.86	675.86
Avenues Payments India Private Limited		
34,791 (31 March 2019: 34,791) equity shares	214.03	214.03
	949.89	**949.89**
(B) Investment in Preference Instrument in Associates (Unquoted)		
Avenues Payments India Private Limited		
4,876 (31 March 2019: 4,876) preference shares	30.00	30.00
	30.00	**30.00**
Investment stated at Fair Value through OCI		
(A) Investment in Equity Instrument		
a. Investment in others (Unquoted)		
JRI Technologies Private Limited		
220,625 (31 March 2019: 220,625) equity shares	15.79	15.79
	15.79	**15.79**
Tradohub B2B Limited (formerly known as Ingenius E-Commerce Private Limited) #		
355,320 (31 March 2019: 197,400) equity shares	600.00	600.00
	600.00	**600.00**
Total Non - Current Investments	**3,006.88**	**2,211.46**

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
CURRENT		
Assets classified as held for sale		
Investment in subsidiary / associate (unquoted) held for sale - carried at lower of cost or net-realisable value		
NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) **		
15,290 (31 March 2019: 17,120) equity shares	302.72	907.88
	302.72	**907.88**
Total Investments	**3,309.60**	**3,119.34**
Total non-current investment	**3,006.88**	**2,211.46**
Aggregate amount of unquoted investments	3,048.33	2,252.91
Impairment of investment	41.45	41.45
Total current investment	**302.72**	**907.88**
Aggregate amount of unquoted investments	302.72	907.88

* The investment in NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) is classified as held for sale as they meet the criteria laid out under Ind AS 105 (refer note 40).

** The Company has transferred 1,830 shares of ₹ 605.16 million of NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (held for sale as at March 31, 2019) to its subsidiary company Avenues Infinite Private Limited by way of Gift. The same has been treated as cost of investment in subsidiary accordingly the cost of investment in Avenues Infinite Private Limited has increased and the cost of investment in associate company NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (held for sale) has been reduced by the same amount.

The number of shares increased on account of receipt of bonus shares.

7 (ii) Loans

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Unsecured, considered good		
Loans to related parties*	29.54	107.80
Loans to employees	10.29	-
Loan to others**	6.30	5.54
	46.13	**113.34**
Total Loans	**46.13**	**113.34**

*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 31st March, 2020

7 (iii) Other financial assets

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current		
Unsecured, considered good		
Security Deposits	5.60	5.60
Bank deposits with original maturity of more than 12 months (including accrued interest) #	466.16	92.33
	471.76	**97.93**
Current		
Unsecured, considered good		
Security deposits*	7.09	4.70
Unbilled revenue	524.02	178.33
Advance to employees	1.03	2.91
Bank deposits maturing within 12 months from reporting date (including accrued interest) #	202.43	566.90
Receivable from subsidiary company for reimbursement of expenses (net) (refer note 26)	2.80	1.52
Interest accrued on FD with original maturity of more than 3 months but less than 12 months.	4.06	4.27
Unsecured, considered doubtful		
Security deposits	1.35	1.35
Less: Allowance for doubtful security deposits	(1.35)	(1.35)
	741.43	**758.63**
Total other financial assets	**1,213.19**	**856.56**

* pertains to deposit given to the director of the Company (refer note 26)

Fixed deposits of ₹ 562.12 million (March 31, 2019: ₹ 46.92 million) are under lien against bank guarantee issued.

7 (iv) Trade receivables

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Unsecured, considered good	192.90	124.14
Unsecured, considered doubtful	54.04	41.59
	246.94	165.73
Less: Allowance for Bad Debts	(54.04)	(41.59)
Total Trade receivables	**192.90**	**124.14**

(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 (v) Cash and cash equivalent

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Bank		
Current accounts*	566.20	522.30
Balance with bank in Nodal Accounts	212.42	706.12
Cash on hand	0.31	0.23
Total cash and cash equivalents	**778.93**	**1,228.65**

* Refer note 38 for details of IPO related funds

Notes to the Financial Statements

for the year ended 31st March, 2020

7 (vi) Bank balance other than the above

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than three months but less than 12 months (Refer notes below)	124.82	10.56
Earmarked balances for unclaimed dividend	0.30	0.19
Bank balance other than the above	**125.12**	**10.75**

(1) Fixed deposit of ₹ 10.53 million (March 31, 2019: ₹ 10.56 million) are under lien against bank guarantee issued.

7 (vii) Financial assets by category

(₹ in million)

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2020				
Investments				
- Equity shares	2,663.81	615.79	-	-
- Preference Shares	30.00	-	-	-
Trade receivables	-	-	-	192.90
Loans	-	-	-	46.13
Cash and cash equivalents and other bank balances	-	-	-	904.05
Other financial assets	-	-	-	1,213.19
Total Financial assets	**2,693.81**	**615.79**	**-**	**2,356.27**

Particulars	Cost	FVOCI	FVTPL	Amortised Cost
March 31, 2019				
Investments				
- Equity shares	2,473.55	615.79	-	-
- Preference Shares	30.00	-	-	-
Trade receivables	-	-	-	124.14
Loans	-	-	-	113.34
Cash and cash equivalents and other bank balances	-	-	-	1,239.40
Other financial assets	-	-	-	856.56
Total Financial assets	**2,503.55**	**615.79**	**-**	**2,333.44**

For Financial instruments risk management objectives and policies, refer Note 33

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are in Note 33.

Notes to the Financial Statements

for the year ended 31st March, 2020

8. Other assets

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Capital advances*	43.06	818.98
Prepaid expense	1.18	74.50
Total Non-current asset	**44.24**	**893.48**
Current		
Unsecured, considered good		
Advance to suppliers	555.52	566.73
Less: Allowance for doubtful advances	(2.99)	(2.99)
Balance with government authorities - GST receivable	152.20	146.01
Receivable for settlement of payment gateway transaction (refer note 37)	1,398.22	1,868.50
Export incentive receivable	-	25.28
Rent Deposit Receivable	-	0.10
Prepaid expenses	100.26	37.91
Other current asset	1.18	-
Total current asset	**2,204.39**	**2,641.54**
Total	**2,248.63**	**3,535.02**

* Refer note 26 for advances given to related parties

9. Income tax assets (net)

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Tax paid in advance (net of provision) (refer note 24)	182.34	116.14
Total	**182.34**	**116.14**
Provision for tax (net of advance tax) (refer note 24)	47.76	47.76
Total	**47.76**	**47.76**

10. Equity share capital

Particulars	As at March 31,2020		As at March 31, 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)
Authorised share capital*				
Equity shares of ₹ 1 each	897,500,000	897.50	897,500,000	897.50
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 ₹ 1 each	664,720,260	664.72	663,392,240	663.39
Subscribed and fully paid up				
Equity shares of ₹ 1 each	664,720,260	664.72	663,392,240	663.39
Total	**664,720,260**	**664.72**	**663,392,240**	**663.39**

* represents authorised share capital as per scheme of arrangement approved by National Company Law Tribunal, Ahmedabad Bench dated May 7, 2018. Company has made requisite filing with Ministry of Corporate Affairs on May 10, 2018

Notes to the Financial Statements

for the year ended 31st March, 2020

10.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31,2020		As at March 31, 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)
At the beginning of the year	663,392,240	663.39	542,783,390	542.78
Add:				
Shares allotted pursuant to exercise of Employee Stock Option Plan	1,328,020	1.33	748,850	0.75
Shares issued as per scheme of amalgamation (refer note 36)	-	-	119,860,000	119.86
Outstanding at the end of the year	664,720,260	664.72	663,392,240	663.39

10.2.Terms/Rights attached to the equity shares

The Company has equity shares having a par value of Re1 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of the equity shares is entitled to one vote per share.

On winding up of Company, the holder of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to number of equity shares held. Terms attached to stock options granted to employees are described in note 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 Shareholder	As at March 31,2020		As at March 31, 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Vishal A Mehta	59,959,400	9.02	59,959,400	9.04
Infinium Motors Private Limited	53,047,220	7.98	53,047,220	8.00
Vishwas A Patel	76,595,662	11.52	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.

10.6.Distribution made and proposed

(₹ in million)

Particulars	31 March 2020	31 March 2019
Cash dividends on Equity Shares declared and paid:		
Final dividend for Year Ended 31 March, 2020: ₹ Nil Per share (31 March, 2019: ₹ 0.10 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 31 March, 2020: ₹ 0.10 Per share (31 March, 2019: ₹ Nil Per Share)	66.37	-
Less: Paid to IEW Trust (refer note 29)	(0.28)	-
Net interim dividend paid	**66.09**	

Note: Refer note 26 for dividend paid to related party

Notes to the Financial Statements

for the year ended 31st March, 2020

11. Other Equity

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
General reserve		
Opening balance	105.22	94.12
Add: Addition on account of lapse of options	2.10	11.10
Balance at the end of the year	**107.32**	**105.22**
Securities premium		
Opening balance	25,054.40	7,426.82
Add: on exercising of options	82.33	31.08
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
Balance at the end of the year	**25,136.73**	**25,054.40**
Issue of Shares on Amalgamation (Refer Note 36)		
Opening balance	-	17,715.31
Shares issued as per Scheme of Amalgamation	-	(119.86)
Premium on shares issued as per Scheme of Amalgamation	-	(17,595.45)
Balance at the end of the year	**-**	**-**
Capital reserve		
Opening balance	-	-
Add: transfer on forfeiture of equity share warrants	100.00	-
Balance at the end of the year	**100.00**	**-**
Employees Stock Options Outstanding (Net)- (refer note 28)		
Opening balance	239.20	204.95
Add: Employee compensation expense for the year	52.16	76.43
Less: Transfer to securities premium on exercise of options	(82.33)	(31.08)
Less: Reversal due to lapse of options	(2.10)	(11.10)
Balance at the end of the year	**206.93**	**239.20**
Treasury Shares (refer note 29)		
Opening balance	(396.06)	(278.71)
Add: (Purchase) of treasury shares by the trust during the year	-	(117.35)
Balance at the end of the year	**(396.06)**	**(396.06)**
Money received against share warrants		
Opening balance	100.00	100.00
Less: transfer to Capital Reserve on forfeiture of equity share warrants	(100.00)	-
Balance at the end of the year	**-**	**100.00**
IEW Trust Reserve (refer note 29)		
Opening balance	-*	-*
Balance at the end of the year	**-***	**-***
Retained earnings		
Opening balance	229.16	(75.79)
Add: Profit for the year	386.01	389.20
Add: OCI for the year	(1.17)	(4.28)
	614.00	**309.13**
Less: Appropriation		
Dividend paid (refer note 26)	(65.39)	(66.11)
Dividend distribution tax	(14.06)	(13.86)

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Transition impact on account of adoption of Ind AS 116 "Leases"	(0.70)	-
Balance at the end of the year	**533.85**	**229.16**
Total	**25,688.77**	**25,331.92**

* Represents amount less than one million

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.

Securities premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

Employees Stock Options Outstanding

The share based option outstanding account is used to recognise the grant date fair value of options issued to employees under group's employee stock option schemes.

Money received against share warrants

The Board of Directors of Infibeam Avenues Limited in its meeting held on February 14, 2018 issued 21,45,002 warrants to TV18 Broadcast Limited (a company not forming part of promoter and promoter group) on preferential basis with a right to apply and get allotment of equity shares of the Company of face value of Re 1 each within a period of 18 months from the date of allotment of warrant at a price of ₹ 186.48 (including premium of ₹ 185.48 each) aggregating to consideration not exceeding ₹ 40,00,00,000. Accordingly, Company has received ₹ 10,00,00,000 on 28 March 2018 and allotted warrants for the same on March 29, 2018. On expiry of right to apply and get allotment of equity shares, the money received against share warrants are forfeited and transferred to Capital Reserve.

12. Financial liabilities

12 (i) Borrowings

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	175.81	263.70
Total long-term borrowings	**175.81**	**263.70**
Short-term Borrowings		
Secured		
Term loan from bank (refer note below)	87.90	87.90
Total short-term borrowings	**87.90**	**87.90**
Total	**263.71**	**351.60**

Notes to the Financial Statements

for the year ended 31st March, 2020

Terms of borrowings:

Term Loan:

The company has a Rupee Term Loan sanctioned facility of ₹ 427.5 million (previous year ₹ 427.5 million) from IndusInd Bank Limited. The facility carries interest of 10.35%. The facility is secured against the mortgage of Gift Two building, Gift City, Gandhinagar. The term loan is repayable in quarterly installments of ₹ 22.5 million each.

Loan Covenant

Bank loans availed by the Company are subject to certain covenants relating to Debt Service Coverage Ratio (DSCR), Interest Coverage Ratio and External Rating which Company has to maintain from Financial Year 2019.

12 (ii) Trade payable

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Current		
a) Total outstanding dues of micro enterprises and small enterprises	2.30	3.07
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	73.80	26.71
Total	**76.10**	**29.78**

(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 (iii) Other financial liabilities

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Non Current		
Lease liability (refer note 31)	34.66	-
Total non current financial liabilities	**34.66**	**-**
Current		
Employee benefits payable	30.15	29.51
Provision for expenses	64.17	81.30
Interest accrued and due on term loan	0.08	0.11
Lease liability (refer note 31)	13.13	-
Creditor for capital goods	9.71	28.26
Security deposits from merchants	20.26	7.70
Unpaid dividends	0.30	0.19
Other payables	40.67	66.31
Total current financial liabilities	**178.47**	**213.38**
Total	**213.13**	**213.38**

12 (iv) Financial liabilities by category

(₹ in million)

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2020			
Borrowings	-	-	263.71
Trade payable	-	-	76.10
Other financial liabilities	-	-	213.13
Total Financial liabilities	**-**	**-**	**552.94**

Notes to the Financial Statements

for the year ended 31st March, 2020

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2018			
Borrowings	-	-	351.60
Trade payable	-	-	29.78
Other financial liabilities	-	-	213.38
Total Financial liabilities	**-**	**-**	**594.76**

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.

13. Provisions

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Non - current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	43.07	42.12
Total Non Current Provisions	43.07	42.12
Current		
Provision for employee benefits (refer note 25)		
Provision for gratuity	12.20	4.78
Total Current Provisions	**12.20**	**4.78**
Total	**55.27**	**46.90**

14. Other current liabilities

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Advance from customers	27.13	68.54
Statutory dues including provident fund and tax deducted at source	17.42	43.95
Payable for settlement of payment gateway transaction (refer note 37)	1,817.81	2,726.89
Excess billing over revenue	55.71	227.17
	1,918.07	**3,066.55**
Total	**1,918.07**	**3,066.55**

15. Revenue from operations

(₹ in million)

Particulars	2019-20	2018-19
Sale of services	5,863.58	5,422.08
Other operating revenue		
Export incentive	-	24.48
	-	**24.48**
Total	**5,863.58**	**5,446.56**

Notes to the Financial Statements

for the year ended 31st March, 2020

16. Other income

(₹ in million)

Particulars	2019-20	2018-19
Interest income on:		
- Bank deposits	54.86	56.46
- Others	15.00	0.10
Exchange gain/loss	7.35	13.93
Short Term Capital Gain on sale of mutual funds	1.46	6.56
Rental Income**	11.63	12.14
Miscellaneous income	-	3.23
Total	**90.30**	**92.42**

** The Company has entered into lease agreement for office premises with its subsidiary and associate companies. The leasing agreement is cancellable, and renewable on a periodic basis by mutual consent on mutually accepted terms including escalation of lease rent. Lease income recognised in the Statement of Profit and Loss for the year amounts to ₹ 11.63million (March 31, 2019: 12.14 million). (refer note 26)

17. Employee benefits expense

(₹ in million)

Particulars	2019-20	2018-19
Salaries, wages and bonus^	433.65	383.19
Contribution to provident fund and other funds (refer note 25)	12.39	10.36
Share based payments to employees (refer note 28)	42.04	34.87
Staff welfare expenses	3.84	4.01
Total	**491.92**	**432.43**
^Salaries, wages and bonus (net of capitalisation)		
Salaries, wages and bonus	433.65	390.09
Less: Cost capitalised	-	(6.90)
Salaries, wages and bonus cost for the year	**433.65**	**383.19**
*** Employee stock option outstanding expenses**		
Share based payment expense	52.16	76.43
Less: Expense recovered from the subsidary/associate companies	(10.12)	(41.56)
ESOP cost for the year	**42.04**	**34.87**

18. Finance costs

(₹ in million)

Particulars	2019-20	2018-19
Interest expense on:		
- Bank Loan	34.49	41.83
- Statutory dues	0.34	2.88
Interest on lease payment (refer note 31)	5.25	-
Other borrowing cost	2.11	2.10
Total	**42.19**	**46.81**

Notes to the Financial Statements

for the year ended 31st March, 2020

19. Depreciation and Amortization expense

(₹ in million)

Particulars	2019-20	2018-19
Depreciation on Tangible assets (refer note 5)	240.97	124.65
Amortization on Intangible assets (refer note 6)	493.90	339.52
Depreciation on Right of use assets (refer note 5)	14.94	-
Total	**749.81**	**464.17**

20. Other expenses

(₹ in million)

Particulars	2019-20	2018-19
Bank charges	2.54	0.97
Communication expenses	9.32	6.85
CSR expenses (refer note 32)	7.30	3.45
Legal and consultancy expenses	26.32	52.13
Office expenses	17.85	17.16
Payments to auditors - statutory audit fees (refer note below)	6.15	5.67
Rent	2.95	10.15
Rate and taxes	46.85	30.79
Web hosting and server support expense	21.72	23.88
Advertisement expenses	50.07	79.16
Electricity expenses*	10.89	12.30
Traveling expenses	10.32	11.66
Service charges	7.08	7.43
Allowances for bad debts expenses	12.45	12.83
Web services expenses	26.66	29.34
Balances / Bad Debts written off	-	4.53
Miscellaneous expenses	2.51	4.86
Total	**260.98**	**313.16**

* Electricity expenses is net of government grant amounting to ₹ 1.48 million

Payment to auditors

(₹ in million)

Particulars	2019-2020	2018-19
As auditor:		
Audit fees	1.50	1.50
Limited review	4.50	3.90
Certification charges	0.15	-
Reimbursement of expense	-	0.27
Total	**6.15**	**5.67**

Exceptional items (IV)

(₹ in million)

Particulars	2019-20	2018-19
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**

Notes to the Financial Statements

for the year ended 31st March, 2020

21. Contingent liabilities

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts	-	-
b. Guarantees given by bank on behalf of the Company	-	-

22. Capital commitment and other commitments

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	1,740.59	2,019.17

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, 2020		Year ended March 31, 2019	
		Foreign currency	Local currency (₹ in million)	Foreign currency	Local currency (₹ in million)
Trade receivables	USD	1,818,353	137.59	1,014,999	70.19
	AED	-	-	495,554	9.33
	SAR	-	-	752,400	13.87
Accrued revenue	USD	1,154,938	87.39	-	-
	AED	14,520	0.30	-	-
	SAR	468,500	9.44	-	-
Provision for expenses	USD	6,250	0.47	13,451	0.93
Creditors for expenses	USD	33,327	2.52	33,390	2.31
	GBP	-	-	13,029	1.18
Bank balance	USD	28,110	2.13	311,215	21.52

24. Income tax

(₹ in million)

Particulars	2019-20	2018-19
Tax paid in advance (net of provision)	182.34	116.14
Total	**182.34**	**116.14**
Provision for tax (net of advance tax)	47.76	47.76
Total	**47.76**	**47.76**

The major component of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

(₹ in million)

Particulars	2019-20	2018-19
Statement of Profit and Loss		
Current tax		
Current year	112.52	133.35
Deferred tax		
Deferred tax expense relating to origination and reversal of temporary difference	100.04	94.34
Income tax expense reported in the statement of profit and loss	**212.56**	**227.69**

Notes to the Financial Statements

for the year ended 31st March, 2020

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2020 and March 31, 2019.

A) Current tax

(₹ in million)

Particulars	2019-20	2018-19
Accounting profit before tax from continuing operations	598.57	616.89
Enacted tax rate	34.94%	34.94%
Computed expected tax expense	209.16	215.57
Adjustments		
Non-deductible expenses (B)		
Effect of non-deductible expenses	3.43	0.11
Deferred tax impact on Ind AS adjustment	-	-
Tax effect of Ind AS adjustment income not subject to tax	-	-
Impact of tax paid under MAT	-	12.00
Tax expenses for earlier year	-	-
	212.59	**227.68**

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Deferred income tax assets				
Provision for employee benefits	18.08	15.16	2.92	4.89
IPO Expenses	98.30	120.15	(21.86)	0.10
Provision for diminution in value of investment and doubtful debts	20.40	16.05	4.35	5.63
Lease hold property Ind AS 116	0.91	-	0.91	-
Total deferred income tax assets	**137.69**	**151.36**	**(13.68)**	**10.62**
Deferred income tax liabilities				
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	425.13	338.77	86.36	130.88
Fair valuation of investment	-	-	-	(25.92)
Total deferred income tax liabilities	**425.13**	**338.77**	**86.36**	**104.96**
Deferred tax expense/(income)			100.03	94.34
Net deferred tax assets/(liabilities)	**(287.44)**	**(187.41)**		
Reflected in the balance sheet as follows				
Deferred tax assets	137.69	151.36		
Deferred tax liabilities	425.13	338.77		
Deferred tax liability (net)	**(287.44)**	**(187.41)**		

Reconciliation of deferred tax assets / (liabilities), net

(₹ in million)

Particulars	March 31, 2020	March 31, 2019
Opening balance as of April 1, 2019	(187.41)	(94.12)
Tax income/(expense) during the period recognised in profit or loss	(100.03)	(94.34)
Tax expense on IPO expense adjusted to securities premium	-	1.05
Closing balance as at March 31, 2020	**(287.44)**	**(187.41)**

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

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. 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, 2020	As at March 31, 2019
Provident Fund	11.70	9.41
ESIC	0.69	0.95
	12.39	**10.36**

The Company has following post employment benefits which are in the nature of defined benefit plans:

Notes to the Financial Statements

for the year ended 31st March, 2020

(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, 2020: Changes in defined benefit obligation and plan assets

(₹ in million)

		Gratuity cost charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2019	Transfer in/(out) obligation	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2020
Gratuity													
Defined benefit obligation	46.90	-	6.05	3.13	9.18	(1.99)	-	-	(0.05)	1.22	1.17	-	55.26
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	46.90	-	6.05	3.13	9.18	(1.99)	-	-	(0.05)	1.22	1.17	-	55.26
Total benefit liability	46.90	-	6.05	3.13	9.18	(1.99)	-	-	(0.05)	1.22	1.17	-	55.26

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	33.23	-	4.18	2.38	6.56	-0.23	-	-	0.74	6.60	7.34	-	46.90
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	33.23	-	4.18	2.38	6.56	-0.23	-	-	0.74	6.60	7.34	-	46.90
Total benefit liability	**33.23**	**-**	**4.18**	**2.38**	**6.56**	**-0.23**	**-**	**-**	**0.74**	**6.60**	**7.34**	**-**	**46.90**

Notes to the Financial Statements

for the year ended 31st March, 2020

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	5.75% - 5.76%	6.8% - 7.35%
Future salary increase	8%	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
Morality rate	IALM(2006-08) published table of mortality rates	IALM(2006-08) published table of mortality rates
Retirement age	58 years	58 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(₹ in million)

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2020	Year ended March 31, 2019
Gratuity			
Discount rate	0.5% increase	12.35	10.75
	0.5% decrease	16.27	14.03
Future Salary increase	0.5% increase	15.77	13.64
	0.5% decrease	12.73	11.05
Withdrawal rates (W.R.)	10% increase	13.61	11.76
	10% decrease	14.89	12.94

The followings are the expected future benefit payments for the defined benefit plan:

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity		
Within one year	9.98	8.70
After one year but not more than five years	28.63	26.73
More than five years	30.18	28.36

Notes to the Financial Statements

for the year ended 31st March, 2020

26. Related Party disclosures.

As per the Indian Accounting Standard on "Related Party Disclosures" (IND AS 24), the related parties of the Company are as follows:

Name of Related Parties and Nature of Relationship:

Sr. No.	Relationship	Name of company / person
1	**Subsidiary Company**	Infibeam Digital Entertainment Private Limited
		Satelliteweave Ventures Limited (formerly known as Infinium India Limited) (upto January 23, 2019)
		NSI Infinium Global Limited (formerly known as 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 Limited (formerly known as 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 to 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 Limited (formerly known as 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
		Vishwas Ambalal Patel (with effect from February 14, 2018)
	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)
	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**	Tripwheels and Drive Private Limited (formerly known as 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 31st March, 2020

Related party transactions

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
Issue of equity shares on exercising of ESOP						
Chief Financial officer (CFO)	31-Mar-20	**0.01**	-	-	-	**0.01**
	31-Mar-19	0.05	-	-	-	0.05
Company secretary (CS)	31-Mar-20	**0.04**	-	-	-	**0.04**
	31-Mar-19	0.02	-	-	-	0.02
Investment in equity shares						
Infibeam Global EMEA FZ - LLC	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	354.55	**354.55**
Infinium India Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	297.00	297.00
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	375.00	375.00
Instant Global Paytech Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	60.00	-	60.00
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	907.74	-	907.74
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**110.25**	**110.25**
	31-Mar-19	-	-	-	-	-
Vavian International Limited	31-Mar-20	-	-	-	**80.01**	**80.01**
	31-Mar-19	-	-	-	-	-
Purchase of shares of Vavian International Limited						
Infibeam Global EMEA FZ - LLC	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	209.98	209.98
Purchase of shares of DRC Systems India Private Limited						
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	30.60	30.60
Gift of shares of NSI Infinium Global Private Limited						
Avenues Infinite Private Limited	31-Mar-20	-	-	-	**605.16**	**605.16**
	31-Mar-19	-	-	-	-	-
Buyback of equity shares						
Avenues Payments India Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	0.02	-	0.02
Loans given						
NSI Infinium Global Private Limited	31-Mar-20	-	-	**0.75**	-	**0.75**
	31-Mar-19	-	-	35.52	822.22	857.74
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**73.40**	**73.40**
	31-Mar-19	-	-	-	341.80	341.80
Avenues Infinite Private Limited	31-Mar-20	-	-	-	**1.98**	**1.98**
	31-Mar-19	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
Avenues Payments India Private Limited	31-Mar-20	-	-	0.01	-	**0.01**
	31-Mar-19	-	-	-	-	-
Chief Financial Officer	31-Mar-20	**0.30**	-	-	-	**0.30**
	31-Mar-19	0.90	-	-	-	0.90
Company Secretary (CS)	31-Mar-20	**0.30**	-	-	-	**0.30**
	31-Mar-19	-	-	-	-	-
Repayment of loan given						
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	1,006.42	1,201.57	2,207.99
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**153.66**	**153.66**
	31-Mar-19	-	-	-	234.00	234.00
Chief Financial Officer	31-Mar-20	**0.10**	-	-	-	**0.10**
	31-Mar-19	0.69	-	-	-	0.69
Advance given towards purchase of capital asset						
Infinium India Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	204.00	204.00
Rent deposit received						
Instant Global Paytech Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	0.10	-	0.10
Repayment of advance given towards purchase of capital asset						
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	47.00	47.00
Repayment of advance given towards services						
Infinium India Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	96.40	96.40
Reimbursement of expenses to (amount payable)						
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.06	0.06
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.10	0.10
Infibeam Digital Entertainment Pvt Ltd	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.62	0.62
Avenues Enterprises Pvt Ltd	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	0.01	-	-	0.01
Reimbursement of expenses from (amount receivable)						
NSI Infinium Global Private Limited	31-Mar-20	-	-	**0.93**	-	**0.93**
	31-Mar-19	-	-	0.13	0.93	1.06
Infinium India Limited	31-Mar-20	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
	31-Mar-19	-	-	-	0.64	0.64
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**0.08**	**0.08**
	31-Mar-19	-	-	-	-	-
Infibeam Digital Entertainment Pvt Ltd	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	-	-
Infibeam Logistics Pvt Ltd	31-Mar-20	-	-	-	**0.06**	**0.06**
	31-Mar-19	-	-	-	0.22	0.22
DRC Systems India Private Limited	31-Mar-20	-	-	-	**0.38**	**0.38**
	31-Mar-19	-	-	-	-	-
Avenues Enterprises Pvt Ltd	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	0.01	-	-	0.01
Infinium Motors Private Limited	31-Mar-20	-	**0.02**	-	-	**0.02**
	31-Mar-19	-	-	-	-	-
Services taken						
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	18.29	18.29
Purchase of Meal Voucher - Go Cards						
Instant Global Paytech Private Limited	31-Mar-20	-	-	**1.13**	-	**1.13**
	31-Mar-19	-	-	-	-	-
Purchase of fixed assets						
Infinium Motors Private Limited	31-Mar-20	-	**9.88**	-	-	**9.88**
	31-Mar-19	-	-	-	-	-
Services given						
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**538.48**	**538.48**
	31-Mar-19	-	-	-	145.74	145.74
NSI Infinium Global Private Limited	31-Mar-20	-	-	1.87	-	1.87
	31-Mar-19	-	-	0.64	226.91	227.55
Instant Global Paytech Private Limited	31-Mar-20	-	-	21.39	-	21.39
	31-Mar-19	-	-	1.95	-	1.95
DRC Systems India Private Limited	31-Mar-20	-	-	-	**17.50**	**17.50**
	31-Mar-19	-	-	-	-	-
Rental Income						
NSI Infinium Global Private Limited	31-Mar-20	-	-	3.64	-	3.64
	31-Mar-19	-	-	0.30	3.33	3.63
Infinium India Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.49	0.49
Odigma consultancy solutions private limited	31-Mar-20	-	-	-	**0.39**	**0.39**
	31-Mar-19	-	-	-	1.20	1.20
Infibeam Digital Entertainment Private Limited	31-Mar-20	-	-	-	**0.60**	**0.60**
	31-Mar-19	-	-	-	0.60	0.60
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**1.20**	**1.20**
	31-Mar-19	-	-	-	1.20	1.20

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
DRC Systems India Private Limited	31-Mar-20	-	-	-	**4.51**	**4.51**
	31-Mar-19	-	-	-	4.51	4.51
Sine Qua Non Solutions Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.11	0.11
Instant Global Paytech Private Limited	31-Mar-20	-	-	**0.30**	-	**0.30**
	31-Mar-19	-	-	0.25	-	0.25
Interest income						
DRC Systems India Private Limited	31-Mar-20	-	-	-	**0.25**	**0.25**
	31-Mar-19	-	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	-	-
ESOP cost recovered						
NSI Infinium Global Private Limited	31-Mar-20	-	-	**0.07**	-	**0.07**
	31-Mar-19	-	-	2.51	38.83	41.34
Infinium India Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.09	0.09
Odigma consultancy solutions private limited	31-Mar-20	-	-	-	**0.55**	**0.55**
	31-Mar-19	-	-	-	-	-
DRC Systems India Private Limited	31-Mar-20	-	-	-	**8.79**	**8.79**
	31-Mar-19	-	-	-	-	-
Dividend paid						
Vishal Ajit Mehta	31-Mar-20	**6.00**	-	-	-	**6.00**
	31-Mar-19	6.00	-	-	-	6.00
Malav Ajit Mehta	31-Mar-20	**1.45**	-	-	-	**1.45**
	31-Mar-19	1.70	-	-	-	1.70
Ajit C. Mehta	31-Mar-20	**3.01**	-	-	-	**3.01**
	31-Mar-19	3.01	-	-	-	3.01
Vishwas Ambalal Patel	31-Mar-20	**7.66**	-	-	-	**7.66**
	31-Mar-19	7.66	-	-	-	7.66
Relatives of KMP	31-Mar-20	**8.94**	-	-	-	**8.94**
	31-Mar-19	8.94	-	-	-	8.94
Chief Financial Officer (CFO)	31-Mar-20	**0.01**	-	-	-	**0.01**
	31-Mar-19	0.01	-	-	-	0.01
Company Secretary (CS)	31-Mar-20	**0.01**	-	-	-	**0.01**
	31-Mar-19	-	-	-	-	-
Infinium Motors Private Limited	31-Mar-20	-	**5.30**	-	-	**5.30**
	31-Mar-19	-	5.30	-	-	5.30
Tripwheels and Drive Private Limited (Formerly known as Infinium Automall Private Limited)	31-Mar-20	-	**1.16**	-	-	**1.16**
	31-Mar-19	-	1.46	-	-	1.46

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
Infinium Communication Private Limited	31-Mar-20	-	**0.05**	-	-	**0.05**
	31-Mar-19	-	1.05	-	-	1.05
Infinity Drive Private Limited	31-Mar-20	-	**0.04**	-	-	**0.04**
	31-Mar-19	-	0.80	-	-	0.80
Infinium Motors (Gujarat) Private Limited	31-Mar-20	-	**0.48**	-	-	**0.48**
	31-Mar-19	-	0.48	-	-	0.48
O3 Developers Private Limited (formerly known as Infinium Natural Resources Investments Private Limited)	31-Mar-20	-	**0.44**	-	-	**0.44**
	31-Mar-19	-	0.31	-	-	0.31
Transaction with key Management personnel						
Salaries and ESOP to key managerial personnel						
Chief Financial Officer	31-Mar-20	**5.01**	-	-	-	**5.01**
	31-Mar-19	11.67	-	-	-	11.67
Company Secretary	31-Mar-20	**5.08**	-	-	-	**5.08**
	31-Mar-19	5.12	-	-	-	5.12
Rent expense						
Vishwas Patel (Executive Director)	31-Mar-20	**12.79**	-	-	-	**12.79**
	31-Mar-19	3.00	-	-	-	3.00
Rent Deposits						
Vishwas Patel (Executive Director)	31-Mar-20	**2.45**	-	-	-	**2.45**
	31-Mar-19	-	-	-	-	-
Directors sitting fees expense						
Director sitting fees to non-executive and independent directors	31-Mar-20	**1.46**	-	-	-	**1.46**
	31-Mar-19	1.32	-	-	-	1.32
Closing balances						
Investment						
Infibeam Digital Entertainment Private Limited	31-Mar-20	-	-	-	**31.45**	**31.45**
	31-Mar-19	-	-	-	31.45	31.45
Avenues Infinite Private Limited	31-Mar-20	-	-	**615.16**	-	**615.16**
	31-Mar-19	-	-	20.00	-	20.00
NSI Infinium Global Private Limited	31-Mar-20	-	-	**302.72**	-	**302.72**
	31-Mar-19	-	-	907.88	-	907.88
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**375.10**	**375.10**
	31-Mar-19	-	-	-	375.10	375.10
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**110.35**	**110.35**
	31-Mar-19	-	-	-	0.10	0.10
Infibeam Global EMEA FZ LLC	31-Mar-20	-	-	**675.86**	-	**675.86**
	31-Mar-19	-	-	675.86	-	675.86
Avenue Payment India Private Limited	31-Mar-20	-	-	**214.03**	-	**214.03**
	31-Mar-19	-	-	214.03	-	214.03

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
DRC Systems India Private Limited	31-Mar-20	-	-	-	**30.60**	**30.60**
	31-Mar-19	-	-	-	30.60	30.60
Vavian International Limited	31-Mar-20	-	-	-	**289.99**	**289.99**
	31-Mar-19	-	-	-	209.98	209.98
Instant Global Paytech Private Limited	31-Mar-20	-	-	**60.00**	-	**60.00**
	31-Mar-19	-	-	60.00	-	60.00
Investment (in Preference Shares)						
Avenue Payment India Private Limited	31-Mar-20	-	-	**30.00**	-	**30.00**
	31-Mar-19	-	-	30.00	-	30.00
Trade receivable						
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**0.06**	**0.06**
	31-Mar-19	-	-	-	45.08	45.08
Infibeam Digital Entertainment Private Limited*	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	10.92	10.92
* Allowance for doubtful debt provided during FY 2018-19						
DRC Systems India Private Limited	31-Mar-20	-	-	-	**13.40**	**13.40**
	31-Mar-19	-	-	-	-	-
Unbilled revenue						
Odigma Consultancy Solutions Private Limited	31-Mar-20	-	-	-	**130.00**	**130.00**
	31-Mar-19	-	-	-	-	-
Loans and advances given						
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**27.54**	**27.54**
	31-Mar-19	-	-	-	107.80	107.80
Avenues Infinite Private Limited	31-Mar-20	-	-	-	1.98	1.98
	31-Mar-19	-	-	-	-	-
Avenue Payment India Private Limited	31-Mar-20	-	-	**0.01**	-	**0.01**
	31-Mar-19	-	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-20	-	-	**0.75**	-	**0.75**
	31-Mar-19	-	-	-	-	-
Chief Financial Officer	31-Mar-20	**0.50**	-	-	-	**0.50**
	31-Mar-19	0.30	-	-	-	0.30
Company Secretary	31-Mar-20	**0.30**	-	-	-	**0.30**
	31-Mar-19	-	-	-	-	-
Receivables for reimbursement						
Infibeam Logistics Private Limited	31-Mar-20	-	-	-	**0.86**	**0.86**
	31-Mar-19	-	-	-	1.52	1.52
DRC Systems India Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	4.88	4.88
Infibeam Digital Entertainment Private Limited*	31-Mar-20	-	-	-	**1.94**	**1.94**
	31-Mar-19	-	-	-	-	-
NSI Infinium Global Private Limited	31-Mar-20	-	-	**0.93**	-	**0.93**

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Period ending	Key Management Personnel (KMP) and relatives of KMP	Company where Key Managerial personnel can exercise control / significant influence	Associate Company	Subsidiary Companies	Total
	31-Mar-19	-	-	-	-	-
Payable for reimbursement^						
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	13.05	-	13.05
Infibeam Digital Entertainment Private Limited*	31-Mar-20	-	-	-	-	-
	31-Mar-19	-	-	-	0.10	0.10
Rent Payable						
Vishwas Ambalal Patel	31-Mar-20	**1.10**	-	-	-	**1.10**
	31-Mar-19	0.18	-	-	-	0.18
Director sitting fees payable						
Director sitting fees payable to non-executive and independent directors	31-Mar-20	**0.14**	-	-	-	**0.14**
	31-Mar-19	-	-	-	-	-
Payable for settlement of payment gateway transactions						
Instant Global Paytech Private Limited	31-Mar-20	-	-	**4.10**	-	**4.10**
	31-Mar-19	-	-	5.70	-	5.70
Security deposit given						
Vishwas Ambalal Patel	31-Mar-20	**3.20**	-	-	-	**3.20**
	31-Mar-19	0.75	-	-	-	0.75
Security deposit taken						
Instant Global Paytech Private Limited	31-Mar-20	-	-	**0.10**	-	**0.10**
	31-Mar-19	-	-	0.10	-	0.10

Terms and conditions of transactions with related parties

(1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: ₹ 10.92 million). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

^ 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 31st March, 2020

27. Earning per share

(₹ in million)

Particulars	2019-20	2018-19
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	384.84	384.92
Total no. of equity shares at the end of the year	664,720,260	663,392,240
Weighted average number of equity shares		
For basic EPS	663,673,131	666,116,275
For diluted EPS	667,900,985	671,170,500
Nominal value of equity shares	1	1
Basic earning per share	0.58	0.58
Diluted earning per share	0.58	0.57
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	663,673,131	666,116,275
Effect of dilution: Employee stock options	4,227,854	5,054,226
Weighted average number of equity shares adjusted for the effect of dilution	667,900,985	671,170,500

28. Share based payments

Employee stock option (ESOP) scheme (2013-14):

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 17, 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 30, 2013. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., April 01, 2013, April 01, 2014, April 01, 2018, October 25, 2018, April 01, 2019 and October 25, 2019

Employee stock option (ESOP) scheme (2014-15)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 27, 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 31, 2014. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., April 01, 2014, April 01, 2015, April 01, 2016, October 01, 2014, October 01, 2015, October 01, 2016, April 01, 2018 and October 25, 2018.

Employee stock option (ESOP) scheme (2019-20)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on June 29, 2019, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on July 30, 2019. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., January 01, 2020

Scheme	ESOP Scheme 2013-14		ESOP Scheme 2019-20
Date of grant	April 1 , 2019	October 25 , 2019	January 01, 2020
Number of options granted	209,000	217,679	100,000
Exercise price per option	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.
Exercise period	1 years - 5 years	1 years - 5 years	1 years - 5 years
Method of settlement	Demat mode	Demat mode	Demat mode

Notes to the Financial Statements

for the year ended 31st March, 2020

The following table sets forth a summary of the activity of options:

Particulars	2019-20			2018-19		
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20
Options						
Outstanding at the beginning of the year	146,211	5,031,860	-	250,000	3,766,850	-
Granted during the year	426,679	-	100,000	346,211	1,821,360	-
Exercised during the year	(290,060)	(1,037,960)	-	(200,000)	(548,850)	-
Lapse during the year	(19,150)	(27,680)	-	(250,000)	(7,500)	-
Outstanding at the end of the year	263,680	3,966,220	100,000	146,211	5,031,860	-
Exercisable at the end of the year	263,680	3,966,220	100,000	146,211	5,031,860	-

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	2019-20	2018-19
Employee stock option plan	42.04	34.87
Total employee share based payment expense	**42.04**	**34.87**

The fair value of the share based payment options granted on is determined using the black scholes model using the following inputs at the grant date which takes in to account the exercise price, the term of the option, the share price at the grant date, and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	31st March 2020			31st March 2019	
Option grant date	April 01, 2019	October 25, 2019	January 01, 2020	April 01, 2018	October 25, 2018
Weighted average share price	43.19	45.01	55.12	148.50	30.80
Exercise price	1.00	1.00	1.00	1.00	1.00
Expected volatility	50%	71%	71%	44%	96%
Expected life (years)	5 years	5 years	5 years	5 years	5 years
Dividend yield	0.47%	0.47%	0.47%	0	0
Risk-free interest rate (%)	6.31%	5.41%	5.03%	7.40%	7.87%
Fair market value share	41.67	43.99	52.92	147.81	30.22
Weighted average remaining contractual life (Years)					

Employee Stock Appreciation Rights (SAR)

Pursuant to the resolution passed by the Board of Directors of the Company, at its meeting held on July 13, 2017 and the special resolution passed by the Members of the Company on August 11, 2017, the Infibeam Stock Appreciation Rights Scheme 2017 (“SAR Scheme 2017”) was approved in accordance with the provisions of SEBI (SBEB) Regulations, having face value of ₹ 1.00 each. The Company has created “Infibeam Employees Welfare Fund” by way of a trust on September 5, 2017 which will be involved in the execution of Infibeam Stock Appreciation Rights Scheme 2017 (SAR). Barclays Wealth Trustees (India) Private Limited (Barclays) are appointed as trustees of the same. Each SAR shall confer the right to the eligible employee to receive appreciation (cash settled / equity settled) with respect to the underlying Equity Share on the entitled shares after it has been exercised in accordance with terms of the Scheme.

SARs granted are as under:

Particulars	Approval Date	No. of SAR's	SAR Price (₹ in million)
Option grant date	February 14, 2019	2,796,311	141.00

Notes to the Financial Statements

for the year ended 31st March, 2020

Movement in options:

(₹ in million)

Particulars	SAR Scheme 2017 As at March 31, 2020	SAR Scheme 2017 As at March 31, 2019
SAR Scheme 2017		
Outstanding at the beginning of the year	2,276,311	-
Granted during the year	-	2,796,311
Exercised during the year	-	-
Lapse during the year	(245,000)	(520,000)
Outstanding at the end of the year	2,031,311	2,276,311
Exercisable at the end of the year	2,031,311	2,276,311

29. Consolidation of Trust

The company has formed 'Infibeam Employee Welfare Trust' (IEW trust) for implementation of the schemes that are notified or may be notified from time to time by the Company under the plan, providing share based payment to its employees. IEW trust purchases Company's shares out of funds provided by the Company. The Company treats IEW as its extension and accordingly shares held by IEW are treated as treasury shares.

The Consolidation of the IEW trust financials statements with that of the Company does not in any manner affect the independence of the trustees where the rights and obligations are regulated by the trust deed.

Own equity instruments (treasury shares) are deducted from equity.

(i) The sources and application of funds of the IEW Trust consolidated as at 31st March, 2020 were as follows:

(₹ in million)

Particulars	2019-20	2018-19
Corpus Fund	-	-
Borrowing	401.96	398.00
Current liabilities and provision	40.29	43.67
Cash & Bank equivalents	0.26	0.02
Non current investments	396.06	396.06
Net asset / (liability)	**(45.93)**	**(45.59)**

(ii) Impact on the Company's profit and loss post IEW Trust consolidation for the year 31st March, 2020

(₹ in million)

Particulars	2019-20	2018-19
Income		
Dividend on equity	0.28	0.23
Expenses		
Administrative expense	0.62	1.01
Interest expense	-	36.51
Impact on profit before tax	**(0.34)**	**(37.29)**

Notes to the Financial Statements

for the year ended 31st March, 2020

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended 31st March, 2020

(₹ in million)

Particulars	2019-20	2018-19
Cash and cash equivalents 1st April,	0.02	0.83
Cash flow from operating activities	(4.00)	34.82
Cash flow from investing activities	0.28	(117.12)
Cash flow from financing activities	3.96	81.49
Cash and cash equivalents 31 March	**0.26**	**0.02**

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 31st March, 2020 (previous year: ₹ 396.06 Million).

(b) Dividend Income

The dividend income of the Trust is debited to the Company's retained earning amounting to ₹ 0.28 Million as at 31st March, 2020 (previous year: ₹ 0.23 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 ₹ 401.96 Million as at 31st March, 2020 (previous year: ₹ 398 Million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ₹ Nil (previous year: ₹ 36.51 Million).

(d) Interest Expenses

Due to significant difference in the purchase price of the shares acquired and prevailing market price of the share, the Company foresees inability of the IEW Trust to service its loan obligations and interest payment temporarily. Accordingly the Company has reduced the interest on loan to zero.

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 all the geographical segments (i.e. India, UAE 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.

Notes to the Financial Statements

for the year ended 31st March, 2020

D. Major customer

Revenue from one customer of the Company's India segment is ₹ 1,644.58 million which is more than 10 percent of the Company's total revenue for the year ended March 31, 2020.

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.

(₹ in million)

	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31-03-20	5,374.99	365.41	123.18	5,863.58
	31-03-19	5,001.97	271.59	173.00	5,446.56
Carrying amount of segment non current assets *	31-03-20	24,823.36	-	-	24,823.36
	31-03-19	24,153.76			24,153.76

* 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. Lease

The Company’s lease asset primarily consist of leases of buildings offices having the various lease terms. Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020

(₹ in million)

Particulars	Right to use asset Leasehold Building March 31, 2020
Balance as at April 1, 2019	
Transition impact on account of adoption of Ind AS 116 “Leases” (refer Note 3)	60.13
Total Right of Use on the date of transition	**60.13**
Additions during the year	-
Deletion during the year	-
Depreciation of Right of use assets (refer note 5)	14.94
Balance as at March 31, 2020	**45.19**

Notes to the Financial Statements

for the year ended 31st March, 2020

The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

(₹ in million)

Particulars	Lease Liability Leasehold Building March 31, 2020
Transition impact on account of adoption of Ind AS 116 "Leases"	60.13
Additions during the year	-
Finance cost accrued during the year	**5.25**
Deletions	-
Payment of lease liabilities	(17.59)
Balance as at March 31, 2020	**47.79**
Current maturities of Lease liability (refer note 12)	13.13
Non-Current Lease Liability (refer note 12)	34.66

The adoption of the new standard has also resulted in decrease in profit before tax and profit for the year by ₹ 2.60 million (Increase in depreciation expense and finance cost by ₹ 14.94 million and ₹ 5.25 million respectively with corresponding decrease in other expense by ₹ 17.59 million). The effect of this adoption is insignificant on earnings per share. Ind AS 116 has also resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments by ₹ 17.59 million each. Total Deferred tax expense and deferred tax liabilities are decreased by ₹ 0.91 million.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.65%

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

32. Corporate Social Responsibility (CSR) Activities:

a. The Company is required to spend ₹ 7.27 Million (Previous Year ₹ 3.45 Million) on CSR activities.

b. Amount spent during the year on:

(₹ in million)

	Year ended					
	March 31, 2020			March 31, 2019		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of an Assets	-	-	-	-	-	-
(ii) Contribution to Trust/Universities	7.30	-	7.30	3.45	-	3.45
(iii) On Purposes other than above	-	-	-	-	-	-

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

As at 31 March 2020

(₹ in million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	-	615.79	-	615.79	-	615.79	-	615.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	471.76	-	-	471.76		471.76	-	471.76
	471.76	**615.79**	**-**	**1,087.55**	**-**	**1,087.55**	**-**	**1,087.55**
Financial liabilities								
Long term borrowing	175.81	-	-	175.81	-	175.81	-	175.81
	175.81	**-**	**-**	**175.81**	**-**	**175.81**	**-**	**175.81**

As at 31 March 2019

(₹ in million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	-	615.79	-	615.79	-	615.79	-	615.79
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	97.93	-	-	97.93		97.93	-	97.93
	97.93	**615.79**	**-**	**713.72**	**-**	**713.72**	**-**	**713.72**
Financial liabilities								
Long term borrowing	263.70	-	-	263.70	-	263.70	-	263.70
	263.70	**-**	**-**	**263.70**	**-**	**263.70**	**-**	**263.70**

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

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 2019-20	FY 2018-19
Opening Balance on April 1, 2019	-	2.10
Net change in fair value (unrealised)	-	-
Purchases	550.50	1,352.50
Sales	(550.50)	(1,354.60)
Closing Balance on March 31, 2020	**-**	**-**

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.

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.

Notes to the Financial Statements

for the year ended 31st March, 2020

Trade receivables

Trade receivables of the company are typically unsecured. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which company grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables.

The maximum exposure to credit risk for trade receivables by geographic region was as follows:

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Domestic	55.31	30.75
Other regions	137.59	93.39
	192.90	**124.14**

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

(₹ in million)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Upto 0-180 days	More than 180 days	Upto 0-180 days	More than 180 days
Gross	168.53	78.42	127.05	38.68
Less: Provision	(11.75)	(42.28)	(7.89)	(33.70)
Net	**156.78**	**36.14**	**119.16**	**4.98**

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, 2020 and March 31, 2019.

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, 2020		
Interest bearing borrowings	87.90	175.81
Trade payables	76.10	-
Other financial liabilities	178.47	34.66
	342.47	**210.47**
Year ended March 31, 2019		
Interest bearing borrowings	87.90	263.70
Trade payables	29.78	-
Other financial liabilities	213.38	-
	331.06	**263.70**

Notes to the Financial Statements

for the year ended 31st March, 2020

(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, 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, 2020	+5%	11.51
	-5%	(11.51)
March 31, 2019	+5%	4.75
	-5%	(4.75)

	Change in AED rate	Effect on profit before tax
March 31, 2020	+5%	0.02
	-5%	(0.02)
March 31, 2019	+5%	0.47
	-5%	(0.47)

	Change in SAR rate	Effect on profit before tax
March 31, 2020	+5%	0.47
	-5%	(0.47)
March 31, 2019	+5%	0.69
	-5%	(0.69)

	Change in GBP rate	Effect on profit before tax
March 31, 2020	+5%	-
	-5%	-
March 31, 2019	+5%	0.06
	-5%	(0.06)

Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed plus variable rate borrowings.

Notes to the Financial Statements

for the year ended 31st March, 2020

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, 2020	As at March 31, 2019
Interest-bearing loans and borrowings (Note 12)	263.71	351.60
Less: cash and cash equivalent (Note 7)	(778.93)	(1,228.65)
Net debt	**(515.22)**	**(877.05)**
Equity share capital (Note 10)	664.72	663.39
Other equity (Note 11)	25,688.77	25,331.92
Total capital	26,353.49	25,995.31
Capital and net debt	**25,838.27**	**25,118.26**
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, 2020 and 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, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	2.30	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 beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro, small and medium enterprises, which have been registered with the relevant competent authorities. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Company for this purpose.

Notes to the Financial Statements

for the year ended 31st March, 2020

36. Amalgamation with Avenues (India) Private Limited

The National Company Law Tribunal vide its order dated May 7, 2018 has sanctioned the Scheme of Amalgamation of Avenues (India) Private Limited with Infibeam Incorporation Limited with an effective and appointed date of April 1, 2017. In accordance with the provisions of the aforesaid scheme -

The approved share swap ratio 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 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 required to be issued (FY 2017-18) 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 1 April 2017 have been incorporated at their fair values in the financial statements of the Company.

(ii) The existing investments in Avenues as at 1 April 2017 have 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:

(₹ in million)

Particulars	Amount
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.

(₹ in million)

Particulars	Amount
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
Bank balance other than (iii) above	777.18
Loans	19.28
Others financial assets	156.45

Notes to the Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Amount
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)
To Short Term Provisions- Gratuity	(3.46)
To 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

(₹ in million)

Particulars	Amount
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 income tax purposes.

37. Nodal balance

The Company maintains nodal account with ICICI Bank, HDFC Bank and Kotak Mahindra Bank. The nodal accounts are operated as per RBI guidelines pertaining to settlement of payment for electronic payment transactions for payment gateway business. The balance in the nodal accounts represents money collected from customers on transaction undertaken and is used for settling of dues to various merchants as per RBI guidelines.

Receivable for settlement of transactions:
The balance in receivable for settlement of transaction represents the amount pending to be received from pooling bank account and payment gateway for successful online transaction completed by the customer of the merchant into the nodal accounts. These amounts once collected in Nodal account will be utilized for payment to the merchants.

Payable for settlement of transactions:
The balance in payable for settlement of transaction represents the amount pending to be paid to merchant for successful online transaction completed by the customer of the merchant. The amount for the nodal accounts are transferred to the merchant designated bank account as per RBI guidelines, after deducting applicable charges.

Notes to the Financial Statements

for the year ended 31st March, 2020

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, 2020	Unutilised amount as on March 31, 2020
Setting up of cloud data centre and purchase of property for shifting of the registered and corporate offices of Company	2,352.0	2,352.0	-
Setting up of 75 logistics centres	375.0	375.0	-
Purchase of software	670.0	670.0	-
General corporate purposes	764.7	764.7	-
Total	**4,161.7**	**4,161.7**	**-**

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
- In fixed deposits	-	-
- In current account with bank	-	251.5
Total	**-**	**251.5**

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, 2020 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, the Company has received Government grant amounting to ₹ 95.85 million against purchase of qualifying assets (Office Building and Data Centre related infrastructure). The same have been deducted from the carrying amount of the qualified assets. Accordingly, depreciation expense on qualified assets has been less charged to the statement of profit and loss by ₹ 9.67 million.

41. During the year, Infibeam Avenues Limited ('the Company') have entered into Scheme of Arrangement as follows:

(a) Demerger of the SME E-Commerce Services Undertaking of the Company and transfer the same to Suvidhaa Infoserve Limited ('Suvidhaa') which includes issuance of equity shares by Suvidhaa to the equity share holders of the Company;

(b) Demerger of the E-Commerce Business Undertaking of NSI Infinium Global Limited ('NSI') and transfer the same to Suvidhaa which includes issuance of equity shares by Suvidhaa to the equity share holders of NSI.

(c) Demerger of the Themepark & Event Software Undertaking of the Company and transfer the same to DRC Systems India Limited ('DRC') which includes issuance of equity shares by DRC to the equity share holders of the Company;

The accounting impact of the same would be given in the books of account on approval of the Scheme by the Regulatory Authority on appointed date.

Notes to the Financial Statements

for the year ended 31st March, 2020

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, 2020 and March 31, 2019 by offerings.

i) Revenue by offerings

(₹ in million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Digital Payments and Checkout Web Services	5,130.24	5,058.21
E-Commerce Related Web Services	733.34	363.87
Total	**5,863.58**	**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, 2020 is ₹ 48.96 (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, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	178.33	94.83
Revenue recognised during the year	524.02	178.33
Invoices raised during the year	(137.66)	(99.03)
Translation exchange difference	-	4.20
Balance at the end of the year	**564.69**	**178.33**

Notes to the Financial Statements

for the year ended 31st March, 2020

d) Changes in unearned and deferred revenue are as follows:

(₹ in million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	227.17	6.69
Revenue recognised that was included in the excess billing over revenue at the beginning of the year	(177.23)	(5.25)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	5.77	225.73
Translation exchange difference	-	-
Balance at the end of the year	**55.71**	**227.17**

43. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Company. On account of this, the Company has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment testing of goodwill and intangible assets having indefinite useful life, using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and nonfinancial assets. The Company will continue to closely monitor any material changes to future economic conditions.

44. Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of the current year.

As per our report of even date

For Shah & Taparia

Chartered Accountants

ICAI Firm Registration No. 109463W

Ramesh Pipalawa

Partner

Membership No.: 103840

Place : Gandhinagar

Dated : June 05, 2020

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

Place : Gandhinagar

Date : June 05, 2020

Ajit Mehta

Chairman

DIN: 01234707

Place : Gandhinagar

Date : June 05, 2020

Hiren Padhya

Chief Financial Officer

Place : Gandhinagar

Date : June 05, 2020

Shyamal Trivedi

Company Secretary

Place : Gandhinagar

Date : June 05, 2020

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, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated 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, 2020, 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 year ended 31/03/2020. These matters were addressed in the context of our audit of the consolidated IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditors Response
1.	**Goodwill Impairment testing and Impact of COVID-19 thereon**	**Principal Audit Procedures**
	Included on the balance sheet of parent company is an intangible assets balance of ₹ 18771.08 Million as on March 31, 2020 which relates to goodwill of ₹ 16124.18 million which arose mainly from past acquisition and other intangible assets like Computer Software, IT Platform, Trademark and Customer relationship of ₹ 2646.90 million are classified as other Intangible assets. On account of prevalent financial, economic and health crises caused due to global pandemic – COVID-19, having impact on the assumptions used for the continuity of operations and thus having further impact on the assessment of impairment of goodwill. The group has prepared cash flow projections and believes it has sufficient liquidity based on the available liquid cash and the expected cash to be generated from operations to meet its financial obligations as they fall due for the following twelve months. The group is required to perform impairment assessments of goodwill annually. For intangible assets with useful lives, the group is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives.	Focusing on Groups business, we understood, evaluated and validated management's key controls over the impairment assessment process. The group had obtained a valuation report from external independent valuer. On observing the same, following audit procedures were adopted: ● Evaluating the methodical and mathematical accuracy of the model used for the impairment testing, the appropriateness of the assumptions, and the methodology used to prepare its cash flow forecasts. ● gaining an understanding and assessing the reasonableness of business plans by comparing them to prior year's assumptions; ● comparing the current years actual results included in the model to consider whether forecasts including assumptions that, with hindsight, have been appropriate. ● discussing the potential changes in key drivers as compared to previous year / actual performance with management and considering impact of COVID-19 in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.

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, 2020. The above assessment factoring impact of COVID-19 on continuity of its operations and thereupon on annual impairment of goodwill is considered as significant accounting judgement and estimate (Note 34(17) to the consolidated Ind - AS financial statements) and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the consolidated financial statements as a whole.	• recalculating the value in use calculations • challenging the robustness of the key assumptions used to determine the value in use, including the allocation of goodwill to the adequate CGUs, cash flow forecasts, long-term growth rates and the discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible; We also considered the appropriateness of disclosures in the consolidated IND AS financial statements and conclude that our audit procedures did not lead to any reservations regarding the goodwill impairment test.

Information Other than the Consolidated IND AS financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the 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 as well as outside 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 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Other Matter

We did not audit, the financial statements of seven subsidiaries whose financial statements reflects total assets of ₹ 1,901.43 Millions as at March 31, 2020, total revenue of ₹ 1,173.32 Millions and net cash flow of ₹ 134.66 Millions for the year ended on that date and the financial statement of associates which reflects group's share of Net Profit ₹ 509.90 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 and associates 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.

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, 2020 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, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting 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 as well as outside 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
UDIN: 20103840AAAAGL2530
Place of Signature: Gandhinagar
Date: June 5, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements'

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, 2020, 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 well as outside 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 as well as outside 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 as well as outside 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 as well as outside 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 as well as outside 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, 2020, 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
UDIN: 20103840AAAAGL2530
Place of Signature: Gandhinagar
Date: June 5, 2020

Consolidated Balance Sheet

as at 31st March, 2020

(₹ in Million)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets			
Property, plant and equipment	5	2,419.32	1,937.67
Capital work-in-progress	5	-	217.37
Goodwill		16,144.33	16,144.33
Other intangible assets	6	2,772.39	2,935.13
Intangible assets under development	6	-	107.37
Financial assets	7		
(i) Investments		3,920.97	1,016.56
(ii) Other financial assets		471.76	93.53
Deferred tax assets (net)	24	7.18	8.19
Other non-current assets	8	340.24	893.50
Income tax assets (net)	9	206.03	137.73
Total non-current assets		**26,282.22**	**23,491.38**
II. Current assets			
Financial assets	7		
(i) Trade receivables		572.64	244.45
(ii) Cash and cash equivalents		913.60	1,317.18
(iii) Bank balance other than (ii) above		125.13	10.75
(iv) Loans		16.60	5.55
(v) Others financial assets		744.66	766.54
Other current assets	8	2,252.29	2,726.54
Total current assets		**4,624.92**	**5,071.00**
Assets held for sale	7	869.60	3,181.17
Total Assets		**31,776.74**	**31,743.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	664.72	663.39
Other equity	12	27,784.84	26,713.01
Equity attributable to equity holders of the parent		**28,449.56**	**27,376.40**
Non-controlling interests		(6.08)	(6.72)
Total equity		**28,443.48**	**27,369.68**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		175.81	265.33
(ii) Other financial liabilities		34.66	-
Provisions	14	48.01	46.49
Deferred tax liabilities (net)	24	294.96	198.77
Total non-current liabilities		**553.44**	**510.59**
II. Current liabilities			
Financial liabilities	13		
(i) Borrowings		87.90	137.68
(ii) Trade payables			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		3.48	5.78
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		309.60	178.18
(iii) Other financial liabilities		257.52	349.58
Other current liabilities	15	2,058.41	3,138.85
Provisions	14	13.27	5.45
Income tax liabilities (net)		49.64	47.76
Total current liabilities		**2,779.82**	**3,863.27**
Total equity and liabilities		**31,776.74**	**31,743.55**
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

Place : Gandhinagar
Dated : June 05, 2020

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

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Million)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	16	6,480.92	11,590.68
Other income	17	124.25	111.28
Total income (I)		**6,605.16**	**11,701.96**
Expenses			
Purchases of stock-in-trade		-	2,120.19
Payment gateway processing charges		3,963.80	3,928.69
Changes in inventories of traded goods	18	-	(94.43)
Employee benefits expense	19	623.24	735.98
Finance costs	20	43.48	64.50
Depreciation and amortisation expense	21	913.53	822.08
Other expenses	22	361.07	3,138.39
Total expenses (II)		**5,905.11**	**10,715.39**
Profit before exceptional items, share of profit / (loss) of an associate and tax (III) = (I-II)		700.05	986.57
Exceptional items (IV)	22	82.76	471.81
Profit after exceptional items but before share of profit / (loss) of an associate and tax (V) = (III+IV)		**782.81**	**1,458.37**
Add : Share in net profit / (loss) of associate (VI)		509.90	76.31
Profit before tax (VII) = (V+VI)		**1,292.71**	**1,534.68**
Income Tax expense	24		
Current tax		115.37	171.69
Deferred tax (net)		96.84	99.78
Total Income Tax expense (VIII)		**212.21**	**271.47**
Profit for the year (IX) = (VII-VIII)		**1,080.51**	**1,263.22**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		(0.73)	3.54
Income tax effect on above		-	(2.12)
Total other comprehensive income for the year, net of tax (X)		**(0.73)**	**1.41**
Total comprehensive income for the year, net of tax (IX+X)		**1,079.78**	**1,264.63**
Profit for the year attributable to:			
Equity holders of the parent company		1,079.92	1,270.24
Non-controlling interests		0.58	(7.02)
		1,080.51	**1,263.22**
Total comprehensive income attributable to:			
Equity holders of the parent company		1,078.94	1,271.00
Non-controlling interests		0.84	(6.37)
		1,079.78	**1,264.63**
Earning per equity share [nominal value per share Re.1/- (March 31, 2019: Re.1/-)]	30		
Basic		1.63	1.91
Diluted		1.62	1.89
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

Place : Gandhinagar
Dated : June 05, 2020

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

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Statement of changes in Equity

as at 31st March, 2020

A. Equity share capital

(₹ in million)

Balance	Note 11
As at March 31, 2018	**542.78**
Issue of Equity Share capital	120.61
As at March 31, 2019	**663.39**
Issue of Equity Share capital	1.33
As at March 31, 2020	**664.72**

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, 2018	0.29	204.95	7,426.82	94.12	442.27	(4.15)	17,715.31	(278.71)	*-	100.00	15.00	3.55	25,715.89
Profit for the year	-	-	-	-	1,270.24	-	-	-	-	-	-	(7.02)	1,270.24
Other comprehensive income for the year	-	-	-	-	0.76	-	-	-	-	-	-	0.65	0.76
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)
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	-	-	-	-	-	-	-	-	-
Share application money repaid during the year	-	-	-	-	-	-	-	-	-	-	(15.00)	-	(15.00)
Derecognition on disinvestment of subsidiary	(0.29)	-	-	-	-	4.15	-	-	-	-	-	-	3.86
Adjustment on account of acquisition of DRC and Foreign currency translation	-	-	-	-	-	(23.04)	-	-	-	-	-	(3.90)	(23.04)
Balance as at March 31, 2019	-	239.20	25,054.39	105.22	1,633.30	(23.04)	(0.00)	(396.06)	-	100.00	-	(6.72)	26,713.01
Balance as at April 1, 2019	-	239.20	25,054.39	105.22	1,633.30	(23.04)	(0.00)	(396.06)	-	100.00	-	(6.72)	26,713.01

Statement of changes in Equity

for the year ended March 31, 2020

(₹ 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		
Profit for the year	-	-	-	-	1,079.92	-	-	-	-	-	-	0.58	1,079.92
Other comprehensive income for the year	-	-	-	-	(0.99)	-	-	-	-	-	-	0.25	(0.99)
Employee compensation expense for the year	-	52.16	-	-	-	-	-	-	-	-	-	-	52.16
Transfer to securities premium on exercise of options	-	(82.33)	82.33	-	-	-	-	-	-	-	-	-	-
Dividend Paid including taxes	-	-	-	-	(79.45)	-	-	-	-	-	-	-	(79.45)
On lapse of stock options	-	(2.10)	-	2.10	-	-	-	-	-	-	-	-	-
Foreign currency translation and adjustments to Non-controlling Interest	-	-	-	-	-	20.88	-	-	-	-	-	(0.20)	20.88
Transfer on forfeiture of equity share warrants	100.00	-	-	-	-	-	-	-	-	(100.00)	-	-	-
IND AS 116 "Leases" transition impact	-	-	-	-	(0.70)	-	-	-	-	-	-	-	(0.70)
Balance as at March 31, 2020	**100.00**	**206.93**	**25,136.73**	**107.31**	**2,632.09**	**(2.17)**	**(0.00)**	**(396.06)**	**-**	**-**	**-**	**(6.08)**	**27,784.84**

* Represents amount less than one million

Securities Premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Place : Gandhinagar
Dated : June 05, 2020

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

Place : Gandhinagar
Date : June 05, 2020

Ajit Mehta
Chairman
DIN: 01234707

Place : Gandhinagar
Date : June 05, 2020

Hiren Padhya
Chief Financial Officer
Place : Gandhinagar
Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Consolidated Statement of cash flows

for the year ended March 31, 2020

(₹ in Million)

Particulars	March 31, 2020	March 31, 2019
Cash flows from operating activities		
Profit before tax	782.81	1,458.37
Adjustments for:		
Depreciation and amortisation expense	913.53	822.08
ESOP expenses	51.38	68.92
Loss on sale of Fixed Assets	0.27	-
IND AS impact on fair value of investment	(82.76)	-
Profit on sale of Fixed Assets	-	-
Allowances for doubtful debts	12.45	29.58
Allowances for doubtful loans and advances	-	3.22
Bad debts written off	14.21	44.69
Balances written off	4.16	32.19
Liabilities / allowances written back	(20.04)	(11.90)
Unrealised foreign exchange (gain) / loss	(17.40)	9.77
Profit on sale of Investment	-	(471.81)
Short term capital gain on sale of mutual fund	(1.46)	(6.56)
Finance costs	43.48	64.50
Interest income	(70.51)	(68.11)
	1,630.12	**1,974.95**
Working capital adjustments :		
Decrease / (increase) in inventories	-	66.69
(Increase) in trade receivables	(337.47)	163.99
(Increase) / decrease in other assets	187.62	(467.19)
(Decrease) / increase in trade payables	129.14	84.07
Increase in provisions and other liabilities	(1,203.76)	1,492.92
Cash generated from operating activities	**405.65**	**3,315.43**
Income tax paid (net)	(181.78)	(234.30)
Net cash generated from operating activities (A)	**223.86**	**3,081.13**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment and intangible assets (including intangible assets under development)	(552.45)	(1,492.75)
Proceeds from sale of property, plant and equipment and intangible assets	143.17	-
Government grant received	95.85	-
Payments for purchase of non-current investments	-	(2,448.51)
Purchase of mutual fund	(550.50)	(1,352.50)
Proceeds from sale of mutual fund	551.96	1,361.16
Loans and advances (given to)/ repaid	(11.05)	1,360.74
Loans and advances repaid by others	-	48.36
Interest received	70.73	76.39
Payments for / (proceeds from) fixed deposits with bank (net)	(114.26)	227.53
Net cash (used in) investing activities (B)	**(366.55)**	**(2,219.58)**

Consolidated Statement of cash flows

for the year ended March 31, 2020

(₹ in Million)

Particulars	March 31, 2020	March 31, 2019
Cash flows from financing activities		
Proceeds from exercise of ESOP	1.33	0.75
Share application money received/ (repaid)	-	(15.00)
Dividend paid	(65.31)	(66.11)
Dividend distribution tax paid	(14.06)	(13.86)
Treasury shares & corpus	-	(117.35)
Interest paid	(43.51)	(64.51)
Proceeds / Repayment of borrowings (net)	(139.35)	(267.14)
Net cash (used in) / generated from financing activities (C)	**(260.90)**	**(543.22)**
Net increase in cash and cash equivalents (A+B+C)	**(403.58)**	**318.33**
Cash and cash equivalents at 1 April	1,317.18	1,583.08
Less: Cash & cash equivalents due to derecognition in view of disinvestment of subsidiaries	-	(584.23)
Cash and cash equivalents at 31 March	**913.60**	**1,317.18**

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	March 31, 2020	March 31, 2019
2. Cash and cash equivalents comprises of		
Balances with banks:		
- Current accounts	699.96	609.76
- Balance with bank in Nodal Accounts	212.58	706.12
Cash on hand	1.06	0.89
Fixed deposit Having Maturity Less Than Three month	-	0.40
Cash and cash equivalents	**913.60**	**1,317.18**
Effect of Exchange Rate Changes	-	-
Cash and cash equivalents in cash flow statement	**913.60**	**1,317.18**

*Represents amount less than one million

As per our report of even date
For Shah & Taparia
Chartered Accountants
ICAI Firm Registration No. 109463W

Ramesh Pipalawa
Partner
Membership No.: 103840

Place : Gandhinagar
Dated : June 05, 2020

For and on behalf of the Board of Directors of
Infibeam Avenues Limited
(formerly known as Infibeam Incorporation Limited)
CIN: L64203GJ2010PLC061366

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Managing Director
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Place : Gandhinagar
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Date : June 05, 2020

Shyamal Trivedi
Company Secretary
Place : Gandhinagar
Date : June 05, 2020

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

1. Corporate Information

Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) ("the Company") was incorporated on 30 June 2010 under the Companies Act, 1956. The Group [along with its subsidiaries and associate, collectively referred to as (the "Group")] is primarily engaged in business software of development services, maintenance, web development, payment gateway services, e-commerce and other ancillary services.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited in India. The registered office of the Company is located at 28th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar – 382 355.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on June 05, 2020.

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 31 March 2020.

Subsidiaries: Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Equity accounted investees: The Group's interests in equity accounted investees comprise interests in associate. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of each of the subsidiaries and associate used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March.

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 31st March, 2020

income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

The consolidated financial statements comprise the financial statements of the Company, and its subsidiaries and associate as disclosed below.

Name of the company	Country of incorporation	% of shareholding	
		As at 31 March 2020	As at 31 March 2019
Subsidiaries:			
NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (up to February 28, 2019)	India	-	95%
Satelliteweave Ventures Limited (formerly known as Infinium India Limited) (up to January 23, 2019)	India	-	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%
Avenues Infinite Private Limited	India	100%	100%
DRC Systems India Limited (formerly known as DRC Systems India Private Limited)	India	51%	51%
Infibeam Global EMEA FZ-LLC (up to March 21, 2019)	U.A.E	-	100%
Rich Relevants Limited (up to March 21, 2019)	U.A.E	-	100%
Vavian International Limited (From July 1, 2018)	U.A.E	100%	100%
Avenues World FZ LLC (From July 1, 2018)	U.A.E	100%	100%
Associate:			
Avenues Payments India Private Limited	India	22.69%	22.69%
Instant Global Paytech Private Limited (From January 03, 2019)	India	48%	48%
NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (From March 1, 2019)	India	93.59%	93.59%
Sine Qua Non Solutions Private Limited (From March 1, 2019)	India	93.59%	93.59%
Infibeam Global EMEA FZ LLC (From March 22, 2019)	U.A.E	49%	100%
Rich Relevants Limited (From March 22, 2019)	U.A.E	49%	100%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

Business combinations (other than common control business combinations) on or after 1 April 2015

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after the date of transition to Ind AS i.e. 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment (see Note 4.7). Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity.

Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations prior to 1 April 2015

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Previous GAAP adjusted for the reclassification of certain intangibles.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

3. Critical accounting estimates

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

3.1 Estimate and assumption

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

3.2 Defined benefit plans

The cost of the defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. Discount rate has been determined by reference to market yields on the government bonds as at the balance sheet date. The mortality rate is based on publicly available mortality tables.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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 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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

4.2 Business combinations and goodwill

Business combinations are accounted for using the acquisition method prescribed under accounting standard. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

4.3 Foreign currencies

The Group's financial statements are presented in Indian rupees. The functional currency of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited), Odigma Consultancy Solutions Private Limited, Infibeam Logistic Private Limited, DRC Systems India Limited (formerly known as DRC Systems India Private Limited), Infibeam Digital Entertainment Private Limited and Avenues Infinite Private Limited is the Indian Rupee. The functional currency of Vavian International Limited and Avenues World FZ LLC is UAE Dirham.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rate at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

The translations of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using exchange rate in the effect at the balance sheet and for revenue, expense and cash-flow items using average exchange rate for respective periods. The gains or losses resulting from such translations are included in currency translation reserve under other component of equity. When a subsidiary is disposed of, in full, the relevant amount is transferred to net profit in the Statement of Profit and Loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

4.4 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 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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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 Group has elected to continue with the carrying value for all of its property, plant and equipment's assets as recognised in its previous GAAP financial as deemed cost at the transition date, i.e., 1 April 2015.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All repair and maintenance costs are recognised in statement of profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation is calculated on written down value based on useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, which represents the estimated useful lives of the assets. Assets individually costing less than ₹ 5,000 are fully written off in the year of acquisition. Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

- Building – 60 years
- Leasehold Improvements - 10 years
- Plant and equipment - 5 to 10 years
- Furniture & Fixtures - 10 years
- Vehicles - 8 years
- Computer & Peripherals - 3 to 6 years

The Group, depreciates certain items of building, plant and equipment over useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, which represents the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.6 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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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
- 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

Group as a lessee

The Group's lease asset classes primarily comprise of lease for building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) **Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in other current and non-current financial liabilities.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

4.8 Government Grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to expense item is recognised as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets (i.e. those whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets), including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset, in which case the grant is recognised in profit or loss as a reduction of depreciation expense.

4.9 Non-current assets held for sale

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.

4.10 Impairment of non-financial assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generated unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed

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the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

4.11 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4.12 Revenue Recognition

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

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who controls the asset as it is being created or existence of enforceable right to payment for performance to date as per contract.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its nature.

Export incentives

Export incentives are accounted on accrual basis based on services rendered.

4.13 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement.

All financial assets 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

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loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Debt instruments at fair value through profit or loss (FVTPL)**

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

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group 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.

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(iv) Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) Financial Liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

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.

4.14 Inventories

Inventories comprise stock-in-trade, are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs

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(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.

4.15 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.

4.16 Treasury shares

The Group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the company from the market, for giving appreciation (cash settled /equity settled) to employees. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

4.17 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.

4.18 Retirement and other employee benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the year.

b) Post-Employment Benefits

(i) Defined benefit plan

Gratuity benefit scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet reduced by the fair value of any plan assets. The discount rate used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and

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losses on curtailments and non-routine settlements; and

- Net interest expense or income

The Group has not invested in any fund for meeting liability.

4.19 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.

4.20 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.

4.21 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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4.22 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.

4.23 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.

4.24 Changes in accounting policies and disclosures

New and amended standards

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below. Several other amendments apply for the first time for the year ending March 31, 2020, but do not have an impact on the consolidated financial statements of the Group.

(i) Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor. The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application being April 01, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets

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for the year ended 31st March, 2020

representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability. Refer note 34 for detailed impact on adoption of Ind AS 116 "Leases" on the financial statements of the Group.

(ii) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

1. Whether an entity considers uncertain tax treatments separately
2. The assumptions an entity makes about the examination of tax treatments by taxation authorities
3. How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
4. How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. In determining the approach that better predicts the resolution of the uncertainty, the Group has considered, for example; (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The Group determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the Consolidated financial statements of the Group.

(iii) Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

These amendments have no impact on the consolidated financial statements of the group.

(iv) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

(a) Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.

(b) Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments had no impact on the consolidated financial statements of the group as it did not have any plan amendments, curtailments, or settlements during the period.

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(v) Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

These amendments had no impact on the consolidated financial statements as the Group is in compliance with the said amendment

4.25 Annual Improvements to Ind AS 2018

(i) Ind AS 103 Business Combinations

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation. An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019.

These amendments had no impact on the consolidated financial statements of the group as there is no transaction where joint control is obtained.

(ii) Ind AS 111 Joint Arrangements

An entity that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in Ind AS 103. The amendments clarify that the previously held interests in that joint operation are not remeasured. An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after April 1, 2019.

These amendments had no impact on the consolidated financial statements of the group as there is no transaction where a joint control is obtained.

(iii) Ind AS 12 Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where it originally recognised those past transactions or events.

An entity applies the amendments for annual reporting periods beginning on or after 1 April 2019. Since the Group's current practice is in line with these amendments, they had no impact on the consolidated financial statements of the Group.

(iv) Ind AS 23 Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete. The entity applies the amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019.

Since the Group's current practice is in line with these amendments, they had no impact on the consolidated financial statements of the group.

4.26 Standards issued but not yet effective

There are no standards that are issued but not yet effective on March 31, 2020.

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5. Property, plant and equipment

(₹ in Million)

Particulars	Buildings	Office Equipment	Electronic Equipment	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Computer equipment	Vehicles	Right to use asset Leasehold Building	Capital Work in Progress	Total
Cost											
As at March 31, 2018	**1,558.09**	**11.87**	**28.74**	**32.77**	**22.89**	**83.25**	**111.93**	**11.46**	**-**	**237.30**	**2,098.31**
Additions	96.00	104.52	0.31	0.26	28.69	2.15	138.30	65.94	-	64.09	500.27
Acquired on Acquisition	-	-	-	-	-	0.87	0.35	-	-	-	1.22
Derecognition in view of disinvestment of subsidiaries	(8.54)	(2.55)	-	-	(2.58)	(25.65)	(80.90)	(6.85)	-	-	(127.07)
Deductions	-	-	-	-	(0.13)	(0.09)	(0.09)	-	-	-	(0.31)
Capitalized	-	-	-	-	-	-	-	-	-	(84.03)	(84.03)
As at March 31, 2019	**1,645.55**	**113.84**	**29.05**	**33.04**	**48.87**	**60.53**	**169.59**	**70.56**	**-**	**217.37**	**2,388.39**
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer note ii below)	-	-	-	-	-	-	-	-	60.13	-	60.13
Additions	154.49	0.62	7.98	-	-	1.31	858.27	9.88	-	393.04	1,425.60
Disposals/Adjustments (Refer note iii below)	(85.85)	(101.60)	-	-	(28.70)	-	(131.31)	-	-	(610.40)	(957.87)
Exchange difference	-	-	-	-	-	-	0.34	-	-	-	0.34
Capitalized	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**1,714.19**	**12.87**	**37.03**	**33.04**	**20.17**	**61.84**	**896.89**	**80.43**	**60.13**	**0.00**	**2,916.59**
Depreciation:											
As at March 31, 2018	**38.74**	**6.41**	**4.81**	**14.25**	**13.22**	**28.72**	**62.50**	**4.86**	**-**	**-**	**173.51**
Depreciation	79.58	4.63	9.05	4.26	2.34	15.87	38.95	2.83	-	-	157.51
Exchange difference	-	0.00	-	-	-	-	0.07	-	-	-	0.07
Acquired on acquisition	-	-	-	-	-	0.25	0.32	-	-	-	0.57
Derecognition in view of disinvestment of subsidiaries	(5.11)	-	-	-	-	(21.62)	(64.70)	(6.81)	-	-	(98.24)
Accumulated depreciation on deductions	-	-	-	-	-	-	(0.07)	-	-	-	(0.07)
As at March 31, 2019	**113.21**	**11.04**	**13.87**	**18.51**	**15.57**	**23.23**	**37.06**	**0.87**	**-**	**-**	**233.35**

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(₹ in Million)

Particulars	Buildings	Office Equipment	Electronic Equipment	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Computer equipment	Vehicles	Right to use asset Leasehold Building	Capital Work in Progress	Total
Depreciation	75.01	34.94	7.42	2.51	9.12	10.62	195.37	22.08	14.94	-	372.01
Exchange difference	-	-	-	-	-	0.02	0.04	0.01	-	-	0.08
Accumulated depreciation on deductions	-	(36.04)	-	-	(11.75)	-	(60.39)	-	-	-	(108.17)
As at March 31, 2020	**188.23**	**9.94**	**21.29**	**21.02**	**12.94**	**33.86**	**172.08**	**22.97**	**14.94**	**-**	**497.27**
Net Block											
As at March 31, 2020	**1,525.97**	**2.93**	**15.74**	**12.02**	**7.22**	**27.98**	**724.81**	**57.47**	**45.19**	**-**	**2,419.32**
As at March 31, 2019	**1,532.34**	**102.80**	**15.18**	**14.53**	**33.30**	**37.30**	**132.53**	**69.69**	**-**	**217.37**	**2,155.04**

Net book value

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Property, Plant and Equipment	2,419.32	1,937.67
Capital Work-in-progress	-	217.37

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

ii. Right to use assets - Leasehold Building represents properties taken on lease for office accounted for in accordance with principal of Ind AS 116 "Leases". (refer note 34)

iii. Disposals/adjustments includes an adjustment on account of Government grant received for capital investment accounted for in accordance with principal of Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". Refer Note 46

6. Goodwill, 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
As at March 31, 2018	**1,254.80**	**597.80**	**378.76**	**1,565.00**	**360.10**	**0.09**	**0.58**	**4,157.12**	**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	**1,135.12**	**597.80**	**-**	**1,565.00**	**360.10**	**0.09**	**0.58**	**3,658.69**	**107.37**	**16,144.33**
Additions	362.70	-	-	-	-	-	-	362.70	-	-

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(₹ 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
Foreign currency translation	13.09	-	-	-	-	-	-	13.09	-	-
Derecognition in view of disinvestment of subsidiaries	-	-	-	-	-	-	-	-	-	-
Capitalised during the year	-	-	-	-	-	-	-	-	(107.37)	-
As at March 31, 2020	**1,510.91**	**597.80**	**-**	**1,565.00**	**360.10**	**0.09**	**0.58**	**4,034.48**	**-**	**16,144.33**
Amortisation:										
Accumulated amortisation as at March 31, 2018	**585.83**	**23.91**	**51.23**	**156.69**	**72.02**	**0.09**	**0.12**	**889.88**	**-**	**-**
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**	**0.23**	**723.55**	**-**	**-**
Amortisation	288.78	23.91	-	156.69	72.02	-	0.12	541.52	-	-
Foreign currency translation	(2.99)	-	-	-	-	-	-	(2.99)	-	-
Derecognition in view of disinvestment of subsidiaries	-	-	-	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2020	**503.78**	**71.74**	**-**	**470.07**	**216.06**	**0.09**	**0.35**	**1,262.09**	**-**	**-**
Net Block								-		
As at March 31, 2020	**1,007.13**	**526.06**	**-**	**1,094.93**	**144.04**	**-**	**0.23**	**2,772.39**	**-**	**16,144.33**
As at March 31, 2019	**917.14**	**549.98**	**-**	**1,251.62**	**216.06**	**-**	**0.35**	**2,935.13**	**107.37**	**16,144.33**

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Net book value

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Goodwill	16,144.33	16,144.33
Intangible assets	2,772.39	2,935.13
Intangible assets under development	-	107.37

Intangible assets under development as at 31st March 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 ₹ Nil (March 31, 2019: ₹ 7.35 million) and ₹ Nil (March 31, 2019: ₹ 69.77 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 use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments." Management determined budgeted gross margin based on past performance and its expectations of market development. The calculations performed indicate that there is no impairment of Goodwill of the company. Management has performed a sensitivity analysis with respect to changes in assumptions for assessment of value-in-use of Goodwill.

7. Financial assets

7 (i) Investments

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
NON-CURRENT INVESTMENT		
Investment stated at cost		
(A) Investment in Associates (Unquoted)		
Avenues Payments India Private Limited (Investment)		
34,791 (March 31, 2019 : 34,791) equity shares (refer note 37)	214.03	214.03
Less: Share of profit / (loss)	(19.69)	(5.75)
Instant Global Paytech Private Limited		
14,400 (31 March, 2019: 14,400) equity shares	60.00	60.00
Less: Share of profit / (loss)	(22.48)	(2.93)
Sine Qua Non Solutions Private Limited	-	-
Less: Share of profit / (loss)	-	(0.17)
Infibeam Global EMEA FZ - LLC		-
36,016 (31 March 2019 : Nil) equity shares	2,376.48	
Less: Share of profit / (loss)	576.39	39.67
Richrelevant Limited	-	-
Less: Share of profit / (loss)	90.46	65.93
	3,275.18	**370.78**

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(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
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, 2019 : 220,625) equity shares (refer note 37)		
Tradohub B2B Limited (formerly known as Ingenius E-Commerce Private Limited) #		
355,320 (31 March 2019 : 197,400) equity shares	600.00	600.00
	615.79	615.79
(B) Investment in Preference Instrument in Associates (Unquoted)		
Avenues Payments India Private Limited	30.00	30.00
4,876 (March 31, 2019 : 4,876) preference shares (refer note 37)		
	30.00	**30.00**
Total Non - Current Investments	**3,920.97**	**1,016.56**
CURRENT		
Assets held for sale		
Investment in subsidiary / associate (unquoted) held for sale - carried at lower of cost or net-realisable value		
NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited)*		
17,120 (March 31, 2019 : 17,120) equity shares	907.88	907.88
Less: Share of profit / (loss)	(38.29)	(20.43)
Infibeam Global EMEA FZ - LLC		
Nil (March 31, 2019 : 36,016) equity shares	-	2,293.72
	869.59	**3,181.17**
Total Investments	**4,790.56**	**4,197.73**
Total non-current investment	**3,920.97**	**1,016.56**
Aggregate amount of unquoted investments	3,920.97	1,016.56
Impairment of investment	-	-

* The investment in NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) is classified as held for sale as they meet the criteria laid out under Ind AS 105.

** The Company has transferred 1,830 shares of ₹ 605.16 million of NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (held for sale as at March 31, 2019) to its subsidiary company Avenues Infinite Private Limited by way of Gift. The same has been treated as cost of investment in subsidiary accordingly the cost of investment in Avenues Infinite Private Limited has increased and the cost of investment in associate company NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (held for sale) has been reduced by the same amount.

The number of shares increased on account of receipt of bonus shares.

7 (ii) Loans

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Unsecured considered good		
Loans to related parties	0.01	-
Loans to employees	10.29	-
Loan to others *	6.30	5.55
	16.60	**5.55**
Total Loans	**16.60**	**5.55**

* The above loans are unsecured, repayable on demand , carrying interest @ 11% and the same has been given for the purpose of business operations.

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7 (iii) Other financial assets

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Security deposits*	5.60	1.20
Bank deposits with original maturity of more than 12 months (including accrued interest)#	466.16	92.33
	471.76	**93.53**
Current		
Unsecured, considered good		
Security deposits	10.08	7.78
Unbilled revenue	526.65	184.67
Advance to employees (refer note 29)	1.03	2.91
Other assets	0.02	-
Bank deposits maturing within 12 months from reporting date (including accrued interest)#	202.82	566.90
Interest accrued but not due on bank deposits	4.06	4.28
Unsecured, considered doubtful		
Security deposits	1.35	1.35
Less: Provision for doubtful security deposits	(1.35)	(1.35)
	744.66	**766.54**
Total other financial assets	**1,216.42**	**860.06**

* Include deposit given to director of the Company (refer note 29)

Fixed deposit of ₹ 562.12 million (March 31, 2019 : ₹ 46.92 million) are under lien against bank guarantee issued by the Company

7 (iv) Trade receivables

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Unsecured, considered good	572.64	244.45
Unsecured, considered doubtful	54.04	41.59
	626.68	**286.04**
Less: Allowance for doubtful debts	(54.04)	(41.59)
Total Trade and other receivables	**572.64**	**244.45**

(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

7 (v) Cash and cash equivalent

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Bank		
Current accounts*	699.96	609.76
Balance with bank in Nodal Accounts	212.58	706.12
Cash on hand	1.06	0.89
Fixed deposit Having Maturity less than three months	-	0.40
Total cash and cash equivalents	**913.60**	**1,317.18**

* Refer note 40 for details of IPO related funds

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7 (vi) Other bank balance

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than three months but less than 12 months (refer notes below)	124.82	10.56
Earmarked balances for unclaimed dividend	0.30	0.19
Total other bank balances	**125.13**	**10.75**

1. Fixed deposit of ₹10.53 million (March 31, 2019 : ₹ 10.56 million) are under lien against bank guarantee issued.

7 (vii) Financial assets by category

(₹ in million)

Particulars	Cost	FVOCI	FVTPL	Amortised cost
March 31, 2020				
Investment				
- Equity shares	4,062.02	615.79	82.76	-
- Preference Shares	30.00	-	-	-
Trade receivables	-	-	-	572.64
Loans	-	-	-	16.60
Cash and cash equivalents and other bank balances	-	-	-	1,038.72
Other financial assets	-	-	-	1,216.42
Total Financial assets	**4,092.02**	**615.79**	**82.76**	**2,844.39**

Particulars	Cost	FVOCI	FVTPL	Amortised cost
March 31, 2019				
Investment				
- Equity shares	3,551.95	615.79	-	-
- Preference Shares	30.00	-	-	-
Trade receivables	-	-	-	244.45
Loans	-	-	-	5.55
Cash and cash equivalents and other bank balances	-	-	-	1,327.93
Other financial assets	-	-	-	860.06
Total Financial assets	**3,581.94**	**615.79**	**-**	**2,437.98**

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.

8. Other assets

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Unsecured, considered good		
Capital advances	339.03	818.98
Prepaid expense	1.18	74.50
Security deposit	0.03	0.03
	340.24	**894.00**
Current		
Unsecured, considered good		
Advance to suppliers	555.88	574.22
Balance with government authorities	179.59	207.79

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(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Export incentive receivable	-	29.40
Security deposit	-	0.10
Prepaid expenses	102.35	39.11
Other assets	16.25	7.43
Receivable for settlement of payment gateway transaction (refer note 38)	1,398.22	1,868.50
Unsecured, considered doubtful		-
Advance to suppliers	2.99	2.99
Less : Allowance for doubtful advances	(2.99)	(2.99)
	2,252.29	**2,726.54**
Total	**2,592.53**	**3,620.05**

9. Income tax assets (net)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Tax paid in advance (net of provision) (refer note 24)	206.03	137.73
Total	**206.03**	**137.73**
Provision for tax (net of advance tax) (refer note 24)	0.00	47.76
Total	**0.00**	**47.76**

10. Inventories (At lower of cost and net realisable value)

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Stock-in-trade*	-	-
Total	**-**	**-**

* including goods-in-transit ₹ NIL (31 March 2019: ₹ Nil)

11. Equity share capital

Particulars	As at March 31,2020		As at March 31, 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)
Authorised share capital*				
Equity shares of Re.1 each	897,500,000	897.50	897,500,000	897.50
0.01% cumulative compulsory 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	664,720,260	664.72	663,392,240	663.39
Subscribed and fully paid up				
Equity shares of Re.1 each	664,720,260	664.72	663,392,240	663.39
Total	**664,720,260**	**664.72**	**663,392,240**	**663.39**

* represents authorised share capital as per scheme of arrangement approved by National Company Law Tribunal, Ahmedabad Bench dated May 7, 2018. Company has made requisite filing with Ministry of Corporate Affairs on May 10, 2018

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

11.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31,2020		As at March 31, 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)
Outstanding at the beginning of the year	663,392,240	663.39	542,783,390	542.78
Add:				
Shares allotted pursuant to exercise of Employee stock option plan	1,328,020	1.33	748,850	0.75
Shares issued as per scheme of amalgamation (refer note 37)	-	-	119,860,000	119.86
Outstanding at the end of the year	664,720,260	664.72	663,392,240	663.39

11.2. Terms/Rights attached to the equity shares

The Company has equity shares having a par value of Re1 per share. All equity shares rank equally with regard to dividend and share in the Company's residual assets in proportion of amount paid up. The equity shares are entitled to receive dividend as declared from time to time. Each holder of the equity shares is entitled to one vote per share. On winding up of Company, the holder of equity shares will be entitled to receive the residual assets of Company, remaining after distribution of all preferential amounts in proportion to number of equity shares held. Terms attached to stock options granted to employees are described in note 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 Shareholder	As at March 31,2020		As at March 31, 2019	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Vishal A Mehta	59,959,400	9.02	59,959,400	9.04
Infinium Motors Private Limited	53,047,220	7.98	53,047,220	8.00
Vishwas A Patel	76,595,662	11.52	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.

11.5.Shares reserved for issue under options

For information relating to Infibeam Avenues 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	31 March 2020	31 March 2019
Cash dividends on Equity Shares declared and paid:		
Final dividend for Year Ended 31 March, 2020: ₹ Nil Per share (31 March, 2019: ₹ 0.10 Per Share)	-	66.34
Less: Paid to IEW Trust (including payable to IEW Trust) (refer note 39)	-	(0.23)
Net final dividend paid	-	66.11
Interim dividend for Year Ended 31 March, 2020: ₹ 0.10 Per share (31 March, 2019: ₹ Nil Per Share)	66.37	-
Less: Paid to IEW Trust (including payable to IEW Trust) (refer note 39)	(0.28)	-
Net interim dividend paid	**66.09**	**-**

Note: Refer note 29 for dividend paid to related party

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

12. Other Equity

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital reserve		
Opening balance	-	0.29
Add: transfer on forfeiture of equity share warrants	100.00	-
Less : derecognition on disinvestment of subsidiary	-	(0.29)
Balance at the end of the year	**100.00**	**-**
General reserve		
Opening balance	105.22	94.12
Add: Addition on account of lapse of options	2.10	11.10
Balance at the end of the year	**107.31**	**105.22**
Securities premium account		
Opening balance	25,054.39	7,426.82
Add: on exercising of options	82.33	31.08
Add: on issue of shares as per Scheme of Amalgamation (refer note 37)	-	17,595.45
Add: Adjustment on account of change in tax rate on IPO expense adjusted to securities premium	-	1.05
Balance at the end of the year	**25,136.73**	**25,054.39**
Issue of Shares on Amalgamation (refer note 37)		
Opening balance	-	17,715.31
Shares issued as per Scheme of Amalgamation	-	(119.86)
Premium on shares issued as per Scheme of Amalgamation	-	(17,595.45)
Balance at the end of the year	**-**	**-**
Foreign currency monetary item translation reserve		
Opening balance	(23.04)	(4.15)
Add: adjustment during the year	20.88	(23.04)
Less : derecognition on disinvestment of subsidiary	-	4.15
Balance at the end of the year	**(2.17)**	**(23.04)**
Employees Stock Options Outstanding (Net)- (Refer Note 32)		
Opening balance	239.20	204.95
Add : Employee compensation expense for the year	52.16	76.43
Less: Transfer to securities premium on exercise of options	(82.33)	(31.08)
Less: Reversal due to lapse of options	(2.10)	(11.10)
Balance at the end of the year	**206.93**	**239.20**
Money received against share warrants		
Opening balance	100.00	100.00
Less: transfer to Capital Reserve on forfeiture of equity share warrants	(100.00)	-
Balance at the end of the year	**-**	**100.00**
Treasury Shares (refer note 39)		
Opening balance	(396.06)	(278.71)
Add : (Purchase)/sale of treasury shares by the trust during the year	-	(117.35)
Balance at the end of the year	**(396.06)**	**(396.06)**
IEW Trust Reserve (refer note 39)		
Opening balance	*-	*-
Balance at the end of the year	***-**	***-**
Share application money pending allotment		
Opening balance	-	15.00
Less: Repaid during the year	-	(15.00)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the end of the year	-	-
Surplus in statement of profit and loss		
Opening balance	1,633.30	442.27
Add: profit for the year	1,079.92	1,270.24
Add: OCI for the year	(0.99)	0.76
	2,712.24	**1,713.27**
Less: Appropriation		
Dividend paid (refer note 29 for related party transactions)	(65.39)	(66.11)
Dividend Distribution Tax	(14.06)	(13.86)
Transition impact on account of adoption of Ind AS 116 "Leases"	(0.70)	-
Balance at the end of the year	2,632.09	1,633.30
Total Other equity	**27,784.84**	**26,713.01**

* Represents amount less than one million

Securities premium

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares.

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Employees Stock Options Outstanding

The share based option outstanding account is used to recognise the grant date fair value of options issued to employees under group's employee stock option schemes.

Money received against share warrants

The Board of Directors of Infibeam Avenues Limited (formerly known as Infibeam Incorporation Limited) in its meeting held on February 14, 2018 issued 21,45,002 warrants to TV18 Broadcast Limited (a company not forming part of promoter and promoter group) on preferential basis with a right to apply and get allotment of equity shares of the Company of face value of Re 1 each within a period of 18 months from the date of allotment of warrant at a price of ₹ 186.48 (including premium of ₹ 185.48 each) aggregating to consideration not exceeding ₹ 400 Million. The Company has received ₹ 100 Million on March 28, 2018 and allotted warrants for the same on March 29, 2018. On expiry of right to apply and get allotment of equity shares, the money received against share warrants are forfeited and transferred to Capital Reserve.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

13. Financial liabilities

13.1 Borrowings

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Long-term Borrowings		
Secured		
Term loan from bank (refer note below)	175.81	263.70
Unsecured		
From Related Parties (refer note 29)	-	1.63
Total long-term borrowings	**175.81**	**265.33**
Short-term Borrowings		
Secured		
Term loans from banks (refer note below)	87.90	87.90
Unsecured		
Loan		
From Others	-	49.78
Total short-term borrowings	**87.90**	**137.68**
Total borrowings	**263.71**	**403.01**

Terms of borrowings:

Term Loan:

The company has a Rupee Term Loan sanctioned facility of ₹ 427.5 million (previous year ₹ 427.5 million) from IndusInd Bank Limited. The facility carries interest of 10.35%. 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.

Loan Covenant

Bank loans availed by the Company are subject to certain covenants relating to Debt Service Coverage Ratio (DSCR), Interest Coverage Ratio and External Rating which Company has to maintain from Financial Year 2019.

13.2 Trade payable

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Current		
a) Total outstanding dues of micro enterprises and small enterprises	3.48	5.78
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	309.60	178.18
	313.09	**183.96**
Total	**313.09**	**183.96**

(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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

13.3 Other financial liabilities

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Non-current		
Lease Liability	34.66	-
	34.66	**-**
Current		
Employee benefits payable	37.19	37.61
Creditor for capital goods	40.63	70.11
Interest accrued and due on term loan	0.08	0.11
Creditor for expenses	16.95	53.22
Other payables	42.22	68.49
Unpaid dividends	0.30	0.19
Lease Liability	13.13	-
Security deposits from merchants	20.44	7.88
Provision for expenses	65.18	87.05
Payable to Company for reimbursement of expenses (net)	1.24	4.60
Book overdraft	20.15	20.31
	257.52	**349.58**
Total	**292.18**	**349.58**

13.4 Financial liabilities by category

(₹ in million)

Particulars	FVTPL	FVOCI	Amortised cost
March 31, 2020			
Borrowings	-	-	263.71
Trade payable	-	-	313.09
Other financial liabilities	-	-	292.18
Total Financial liabilities	**-**	**-**	**868.97**
Particulars	**FVTPL**	**FVOCI**	**Amortised cost**
March 31, 2019			
Borrowings	-	-	403.01
Trade payable	-	-	183.96
Other financial liabilities	-	-	349.58
Total Financial liabilities	**-**	**-**	**936.55**

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 31st March, 2020

14. Provisions

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Long Term		
Provision for employee benefits (refer Note 28)		
Provision for gratuity	48.01	46.49
	48.01	**46.49**
Short Term		
Provision for employee benefits (refer Note 28)		
Provision for gratuity	13.27	5.45
	13.27	**5.45**
Total	**61.28**	**51.94**

15. Other current liabilities

(₹ in million)

Particulars	As at March 31,2020	As at March 31, 2019
Current		
Unsecured, considered good		
Advance from customers	150.46	84.34
Excess billing over revenue	56.31	227.17
Provision for expenses	8.15	6.25
Other liabilities	0.60	31.05
Payable for settlement of payment gateway transaction (refer note 38)	1,817.81	2,726.89
Statutory dues including provident fund and tax deducted at source	25.09	63.15
	2,058.41	**3,138.85**
Total	**2,058.41**	**3,138.85**

16. Revenue from operations

(₹ in million)

Particulars	2019-20	2018-19
Sale of products	-	2,026.08
Sale of services	6,480.92	9,529.74
Operating income		-
Export incentives	-	34.87
	-	**34.87**
Total	**6,480.92**	**11,590.68**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

17. Other income

(₹ in million)

Particulars	2019-20	2018-19
Interest income on:		
- bank deposits	54.86	64.59
- others	15.65	3.52
Net gain on account of foreign exchange fluctuations	22.12	21.87
Short Term Capital Gain on sale of mutual funds	1.46	6.56
Liabilities / Provision no longer required written back	20.04	11.90
Miscellaneous income	10.11	2.83
Total	**124.25**	**111.28**

18. Changes in inventories of stock-in -trade

(₹ in million)

Particulars	2019-20	2018-19
Opening stock of traded goods	-	116.07
Closing stock of traded goods*	-	(210.50)
Total	**-**	**(94.43)**

* Considered till the date of disposal of subsidiaries.

19. Employee benefits expense

(₹ in million)

Particulars	2019-20	2018-19
Salaries and wages^	553.56	646.66
Contribution to Provident Fund and Other Funds (refer note 28)	14.33	13.44
Employee stock option (ESOP) outstanding expenses*	51.38	68.92
Staff welfare expenses	3.97	6.94
Total	**623.24**	**735.98**
^Salaries, wages and bonus (net of capitalisation)		
Salaries, wages and bonus	553.56	716.43
Less : Cost capitalised	-	(69.77)
Salaries, wages and bonus cost for the year	**553.56**	**646.66**
*** Employee stock option outstanding expenses**		
Share based payment expenses	52.16	76.43
Less : Cost capitalised	-	(7.35)
Less: Cost recovered from associates	(0.79)	(0.15)
ESOP cost for the year	**51.38**	**68.92**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

20. Finance costs

(₹ in million)

Particulars	2019-20	2018-19
Interest expense on:		
- Bank loans	34.49	44.88
- Statutory dues	0.69	11.59
- Others	0.94	5.93
Interest on lease payment	5.25	-
Other borrowing cost	2.11	2.10
Total	**43.48**	**64.50**

21. Depreciation and Amortization expense

(₹ in million)

Particulars	2019-20	2018-19
Depreciation on Tangible assets (refer note 5)	357.07	157.51
Amortization on Intangible assets (refer note 6)	541.52	664.57
Depreciation on Right of use assets (refer note 5)	14.94	-
Total	**913.53**	**822.08**

22. Other expenses

(₹ in million)

Particulars	2019-20	2018-19
Telephone and other communication expenses	9.84	12.24
CSR Expenses (refer note 44)	7.30	3.45
Power and fuel	11.73	22.39
Gateway service charges	-	0.06
House keeping expenses	0.09	1.06
Legal and professional fees	28.92	69.97
Office expenses	21.45	37.63
Printing and Stationary	0.08	0.71
Rent (refer note 34)	10.53	37.96
Rates and taxes	49.89	43.19
Insurance expenses	-	0.47
Packing material expenses	-	1.95
Repairs and maintenance		
Other	1.17	1.55
Security service charges	0.49	4.19
Software development expenses	1.82	1.88
Travelling and conveyance	12.03	18.44
Payment to auditors (refer note 23)	6.90	7.43
Vehicle hire charges	-	0.95
Web hosting and server support expenses	21.72	24.30
Web service expenses	26.66	29.34
Event management expenses	0.45	46.23
Service charges	7.08	7.43
Director sitting fees	1.46	1.32
Allowance for doubtful trade receivables	12.45	29.58

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	2019-20	2018-19
Allowance for doubtful loans and advances	-	3.22
Postage and courier	2.96	23.41
Commission expenses	0.30	0.36
Sales promotion	38.73	1.29
Advertising expenses	50.07	2,619.61
Loss On Sale of Fixed Assets	0.27	-
Bad debts written off	14.21	44.69
Balances written off	4.16	32.19
Online digital marketing expense	12.71	-
Miscellaneous expenses	5.60	9.89
Total	**361.07**	**3,138.39**

Exceptional items

(₹ in million)

Particulars	2019-20	2018-19
Profit on sale/disinvestment of subsidiaries	-	482.55
Loss on sale of Investment in associate	-	(10.75)
IND AS impact on fair value of investment	82.76	-
Total	**82.76**	**471.81**

23. Payment to auditors

(₹ in million)

Particulars	2019-20	2018-19
As auditor		
Statutory audit	2.24	2.66
Limited review	4.50	4.40
Other services	0.16	0.37
Total	**6.90**	**7.43**

24. Income tax

The major component of income tax expense for the years ended March 31, 2020 and March 31, 2019 are :

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Statement of Profit and Loss		
Current tax		
- for the current year	115.37	171.69
Deferred tax		
Deferred tax expense/ (credit) relating to origination and reversal of temporary difference	96.84	99.78
Income tax expense reported in the statement of profit and loss	212.21	271.47

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2020 and March 31, 2019.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

A) Current tax

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Accounting profit before tax from continuing operations	782.81	1,458.37
Enacted tax rate	34.94%	34.94%
Computed expected tax expense	273.51	509.61
Adjustments		
Deferred tax not recognised not considered reasonably uncertain of realisation	-	9.46
Effect of non-deductible expenses	22.92	3.64
Effect of tax paid under differential tax rate	(0.31)	46.36
Tax on different rates	(3.45)	-
Tax benefit on brought forward losses	(25.18)	(4.50)
Employee benefit payable	1.39	(1.13)
Tax exempt income of foreign subsidiaries	(18.72)	(232.82)
Other adjustments	(32.86)	(76.68)
Excess of amortization of fixed assets under income-tax law over amortization provided in accounts	(5.10)	17.51
Income tax expenses:	**212.20**	**271.47**

B) Deferred tax

(₹ in million)

Particulars	Balance Sheet		Statement of Profit and Loss	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Deferred income tax assets				
Excess of depreciation/ amortisation on fixed assets provided in accounts over depreciation/ amortisation under Income tax Act, 1961	(6.11)	(11.21)	5.10	(12.66)
Provision for employee benefits	19.33	17.75	1.58	7.46
Provision for doubtful advances to suppliers	0.91	-	0.91	-
Brought forward losses	-	5.77	(5.77)	4.42
Unabsorbed depreciation	4.87	0.21	4.65	0.05
IPO Expenses	98.30	120.16	(21.86)	0.10
Provision for diminution in value of investment and doubtful debts	20.40	16.05	4.35	5.63
Total deferred income tax assets	**137.69**	**148.72**	**(11.03)**	**5.01**
Deferred income tax liabilities				
Excess of amortization on fixed assets under income-tax law over amortization provided in accounts.	(425.13)	(338.77)	86.36	130.71
Provision for employee benefits	-	-	(0.03)	-
Fair valuation of investment	-	(0.52)	(0.52)	(25.92)
DTL on FV of investment adjusted against goodwill	(0.34)	-	-	-
Total deferred income tax liabilities	**(425.47)**	**(339.29)**	**-**	**-**
Deferred tax (expense) / income*			96.84	99.78
Net deferred tax assets/(liabilities)*	**(287.78)**	**(190.58)**		

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Reflected in the balance sheet as follows		
Deferred tax assets	7.18	8.19
Deferred tax liabilities	(294.96)	(198.77)
Deferred tax assets (net)	**(287.78)**	**(190.58)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Reconciliation of deferred tax assets / (liabilities), net		
Opening balance as of April 1	(190.58)	(91.56)
Ind AS adjustment through opening reserve	-	-
Tax income/(expense) during the period recognised in profit or loss	(96.85)	(99.77)
Deferred tax liability acquired on merger with Avenues (India) Private Limited	-	-
Tax expense on IPO expense adjusted to securities premium	-	1.18
DTL on FV of investment adjusted against goodwill	(0.34)	-
Derecognition in view of disinvestment of subsidiaries	-	1.72
Tax income/(expense) during the period recognised in OCI	(0.02)	(2.14)
Closing balance as at March 31	**(287.78)**	**(190.58)**

* 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

The Company does not have any contingent liability as at balance sheet date.

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts (refer note 1 below)	-	-
b. Guarantees given by bank on behalf of the Company	-	-

26. Capital commitment and other commitments

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	1,740.59	2,019.17

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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, 2020		Year ended March 31, 2019	
		Foreign currency	Local currency (₹ in Million)	Foreign currency	Local currency (₹ in Million)
Trade payables	USD	3,023,670	228.79	1,880,046	130.01
			-		-
Creditors for expenses	USD	33,327	2.52	33,390	2.31
	GBP	-	-	13,029	1.18
			-		-
Provision for expenses	USD	6,250	0.47	41,695	2.88
			231.78		**136.39**
Trade receivables	USD	4,115,497	311.40	3,100,837	214.44
	AED	9,940,498	204.77	495,554	9.33
	SAR	-	-	752,400	13.87
			-		-
Bank balance	AED	-	-	-	-
	USD	1,717,392	129.95	4,241,350	293.31
Accrued revenue	USD	1,154,938	87.39	-	-
	AED	14,520	0.30	-	-
	SAR	468,500	9.44	-	-
			743.25		**530.95**

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, 2020	As at March 31, 2019
Provident Fund	13.52	11.53
ESIC	0.81	1.92
	14.33	**13.44**

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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

March 31, 2020 : Changes in defined benefit obligation and plan assets

(₹ in million)

		Gratuity cost charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2019	Transfer in/(out) obligation	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid/ 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, 2020
Gratuity														
Defined benefit obligation	51.94	-	7.16	3.43	10.59	(1.99)	-	0.00	(0.36)	1.09	0.73	-	-	61.28
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	51.94	-	7.16	3.43	10.59	(1.99)	-	0.00	(0.36)	1.09	0.73	-	-	61.28
Total benefit liability	51.94	-	7.16	3.43	10.59	(1.99)	-	0.00	(0.36)	1.09	0.73	-	-	61.28

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	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**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	5.75% - 5.76%	6.8% - 7.35%
Future salary increase	8.00%	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
Morality rate	IALM(2006-08) published table of mortality rates	IALM(2006-08) published table of mortality rates
Retirement age	58 years	58 to 60 years

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(₹ in million)

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2020	Year ended March 31, 2019
Gratuity			
Discount rate	0.5% increase	17.91	15.64
	0.5% decrease	22.20	19.25
Future Salary increase	0.5% increase	21.66	18.84
	0.5% decrease	18.29	15.94
Withdrawal rates (W.R.)	10% increase	19.23	16.65
	10% decrease	20.73	18.15

The followings are the expected future benefit payments for the defined benefit plan :

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gratuity		
Within the next 12 months (next annual reporting period)	10.74	9.37
Between 2 and 5 years	32.22	29.14
Beyond 5 years	32.08	30.36
	75.04	**68.87**
Total expected payments	**75.04**	**68.87**

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	Tripwheels and Drive Private Limited (formerly known as Infinium Auto Mall Private Limited)
	Infinium Motors Private Limited
	Infinium Motors (Gujarat) Private Limited
	Infinity Drive Private Limited

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

Description of relationship	Name of the parties
	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- 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 Secretary
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 India Private Limited
	Instant Global Paytech Private Limited (with effect from January 03, 2019)
	NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (with effect from March 1, 2019)
	Infibeam Global EMEA FZ LLC (with effect from March 22, 2019)

Related party transactions

(₹ in Million)

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-20	0.01	-	-	0.01
	31-Mar-19	0.05	-	-	0.05
Company Secretary (CS)	31-Mar-20	0.04	-	-	0.04
	31-Mar-19	0.02	-	-	0.02
Salaries and ESOP to executive officers					
- CFO and CS	31-Mar-20	10.09	-	-	10.09
	31-Mar-19	16.78	-	-	16.78
Investment in equity shares					
Instant Global Paytech Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	60.00	60.00
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	907.74	907.74

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Buyback of equity shares					
Avenues Payments India Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	0.02	0.02
Rent deposit received					
Instant Global Paytech Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	0.10	0.10
Rent deposit paid					-
Vishwas Patel (Executive Director)	31-Mar-20	2.45	-	-	2.45
	31-Mar-19	-	-	-	-
Rent Expense					-
Vishwas Patel (Executive Director)	31-Mar-20	12.79	-	-	12.79
	31-Mar-19	3.00	-	-	3.00
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-20	-	-	-	-
	31-Mar-19	-	2.82	0.30	3.12
Rent Income					
Instant Global Paytech Private Limited	31-Mar-20	-	-	0.30	0.30
	31-Mar-19	-	-	0.25	0.25
NSI Infinium Global Private Limited	31-Mar-20	-	-	3.64	3.64
	31-Mar-19	-	-	0.30	0.30
ESOP cost recovered					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.07	0.07
	31-Mar-19	-	-	0.15	0.15
Interest Security Deposit Taken					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.79	0.79
	31-Mar-19	-	-	0.24	0.24
Director sitting fees to non-executive and independent directors	31-Mar-20	1.46	-	-	1.46
	31-Mar-19	1.32	-	-	1.32
Sale of services / goods					
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	4.16	-	4.16
Instant Global Paytech Private Limited	31-Mar-20	-	-	21.39	21.39
	31-Mar-19	-	-	1.95	1.95
Vishal Mehta	31-Mar-20	-	-	-	-
	31-Mar-19	0.01	-	0.00	0.01
NSI Infinium Global Private Limited	31-Mar-20	-	-	4.23	4.23
	31-Mar-19	-	-	1.54	1.54
Receipt of services / goods					
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	0.08	-	0.08

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Purchase of Meal Voucher - Go Cards					
Instant Global Paytech Private Limited	31-Mar-20	-	-	1.13	1.13
	31-Mar-19	-	-	-	-
Reimbursement of expenses to (amount payable)					
NSI Infinium Global Private Limited	31-Mar-20	-	-	12.12	12.12
	31-Mar-19	-	-	2.55	2.55
Reimbursement of expenses from (amount receivable)					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.93	0.93
	31-Mar-19	-	-	0.13	0.13
Infinium Motors Private Limited	31-Mar-20	-	0.02	-	0.02
	31-Mar-19	-	-	-	-
Purchase of Fixed Assets					
Infinium Motors Private Limited	31-Mar-20	-	9.88	-	9.88
	31-Mar-19	-	63.91	-	63.91
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	256.28	256.28
Loan and advances taken					
ING Satcom	31-Mar-20	-	-	-	-
	31-Mar-19	-	290.00	-	290.00
Infinium Communication Pvt Ltd	31-Mar-20	-	-	-	-
	31-Mar-19	-	2.00	-	2.00
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	5.01	-	5.01
Loan taken					
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	6.04	6.04
Repayment of loan and advances taken					
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	1.30	-	1.30
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	9.50	9.50
Malav Ajit Mehta	31-Mar-20	0.89	-	-	0.89
	31-Mar-19	-	-	-	-
Vishwas Ambalal Patel	31-Mar-20	0.89	-	-	0.89
	31-Mar-19	-	-	-	-
Loan given					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.75	0.75
	31-Mar-19	-	-	35.52	35.52
Chief Financial Officer (CFO)	31-Mar-20	0.30	-	-	0.30
	31-Mar-19	0.90	-	-	0.90

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Company Secretary (CS)	31-Mar-20	0.30	-	-	0.30
	31-Mar-19	-	-	-	-
Repayment of Loan given					
Chief Financial Officer	31-Mar-20	0.10	-	-	0.10
	31-Mar-19	0.69	-	-	0.69
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	1,006.42	1,006.42
Security Deposit Received					
DRC Systems India Private Limited	31-Mar-20	-	-	6.04	6.04
	31-Mar-19	-	-	-	-
Repayment of Security Deposit Received					
DRC Systems India Private Limited	31-Mar-20	-	-	9.50	9.50
	31-Mar-19	-	-	-	-
Advance to supplier given					
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	0.46	-	0.46
ING Satcom	31-Mar-20	-	-	-	-
	31-Mar-19	-	858.00	-	858.00
Advance from customers received					
NSI Infinium Global Private Limited	31-Mar-20	-	-	2.23	2.23
	31-Mar-19	-	-	-	-
Dividend paid					
Vishal Ajit Mehta	31-Mar-20	6.00	-	-	6.00
	31-Mar-19	6.00	-	-	6.00
Malav Ajit Mehta	31-Mar-20	1.45	-	-	1.45
	31-Mar-19	1.70	-	-	1.70
Ajit C. Mehta	31-Mar-20	3.01	-	-	3.01
	31-Mar-19	3.01	-	-	3.01
Vishwas Ambalal Patel	31-Mar-20	7.66	-	-	7.66
	31-Mar-19	7.66	-	-	7.66
Relatives of KMP	31-Mar-20	8.94	-	-	8.94
	31-Mar-19	8.94	-	-	8.94
		-			
Chief Financial officer (CFO)	31-Mar-20	0.01	-	-	0.01
	31-Mar-19	0.01	-	-	0.01
Company secretary (CS)	31-Mar-20	0.01	-	-	0.01
	31-Mar-19	0.00	-	-	0.00
Infinium Motors Private Limited	31-Mar-20	-	5.30	-	5.30
	31-Mar-19	-	5.30	-	5.30
Infinium Automall Private Limited	31-Mar-20	-	1.16	-	1.16

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
	31-Mar-19	-	1.46	-	1.46
Infinium Communications Private Limited	31-Mar-20	-	0.05	-	0.05
	31-Mar-19	-	1.05	-	1.05
Infinity Drive Private Limited	31-Mar-20	-	0.04	-	0.04
	31-Mar-19	-	0.80	-	0.80
Infinium Motors (Gujarat) Private Limited	31-Mar-20	-	0.48	-	0.48
	31-Mar-19	-	0.48	-	0.48
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-20	-	0.44	-	0.44
	31-Mar-19	-	0.31	-	0.31
Interest on Loan					
Malav Mehta	31-Mar-20	-	-	-	-
	31-Mar-19	0.07	-	-	0.07
Vishwas Ambalal Patel	31-Mar-20	-	-	-	-
	31-Mar-19	0.07	-	-	0.07
Balance outstanding					
Trade receivable					
Infinium Motors Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	0.47	-	0.47
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	1.96	1.96
Trade Payable					
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	0.15	0.15
Unbilled Revenue					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.36	0.36
	31-Mar-19	-	-	1.15	1.15
Creditor for Capital Goods					
NSI Infinium Global Private Limited	31-Mar-20	-	-	41.69	41.69
	31-Mar-19	-	-	41.69	41.69
Advance from customers received					
NSI Infinium Global Private Limited	31-Mar-20	-	-	2.23	2.23
	31-Mar-19	-	-	-	-
Reimbursement of expenses to (amount payable)					
NSI Infinium Global Private Limited	31-Mar-20	-	-	16.75	16.75
	31-Mar-19	-	-	81.43	81.43
Reimbursement of expenses to (amount receivables)					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.93	0.93
	31-Mar-19	-	-	-	-
Loans and advances payable					
NSI Infinium Global Private Limited	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	18.21	18.21

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Malav Mehta	31-Mar-20	-	-	-	-
	31-Mar-19	0.81	-	-	0.81
Vishwas Ambalal Patel	31-Mar-20	-	-	-	-
	31-Mar-19	0.81	-	-	0.81
Loans and advances given					
NSI Infinium Global Private Limited	31-Mar-20	-	-	0.75	0.75
	31-Mar-19	-	-	-	-
Avenue Payment India Private Limited	31-Mar-20	-	-	0.01	0.01
	31-Mar-19	-	-	-	-
Chief Financial Officer	31-Mar-20	0.50	-	-	0.50
	31-Mar-19	0.30	-	-	0.30
Company secretary (CS)	31-Mar-20	0.30	-	-	0.30
	31-Mar-19	-	-	-	-
Payable for settlement of payment gateway transactions					
Instant Global Paytech Private Limited	31-Mar-20	-	-	4.10	4.10
	31-Mar-19	-	-	5.70	5.70
Rent Payable					
Vishwas Ambalal Patel	31-Mar-20	1.10	-	-	1.10
	31-Mar-19	0.18	-	-	0.18
Other payables					
O3 Developers Private Limited (formerly known as Infinium Natural Resource Investments Private Limited)	31-Mar-20	-	-	-	-
	31-Mar-19	-	-	3.95	3.95
Director sitting fees payable					
Director sitting fees payable to non-executive and independent directors	31-Mar-20	0.14	-	-	0.14
	31-Mar-19	-	-	-	-
Security deposit received					
Instant Global Paytech Private Limited	31-Mar-20	-	-	0.10	0.10
	31-Mar-19	-	-	-	-
Security deposit given					
Vishwas Ambalal Patel	31-Mar-20	3.20	-	-	3.20
	31-Mar-19	0.75	-	-	0.75
Investment (in Equity shares)					
Instant Global Paytech Private Limited	31-Mar-20	-	-	60.00	60.00
	31-Mar-19	-	-	60.00	60.00
Infibeam Global EMEA FZ LLC	31-Mar-20	-	-	675.86	675.86
	31-Mar-19	-	-	675.86	675.86
NSI Infinium Global Private Limited	31-Mar-20	-	-	907.88	907.88
	31-Mar-19	-	-	907.88	907.88

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(₹ in Million)

Particulars	Period ending	KMP and relative of KMP	Company where Key Managerial Personnel can exercise control / significant influence	Associate Company	Total
Avenue Payments India Private Limited	31-Mar-20	-	-	214.03	214.03
	31-Mar-19	-	-	214.03	214.03
Investment (in Preference shares)					
Avenue Payments India Private Limited	31-Mar-20	-	-	30.00	30.00
	31-Mar-19	-	-	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.

30. Earning per share

(₹ in million)

Particulars	2019-20	2018-19
Earing per share (Basic and Diluted)		
Profit attributable to ordinary equity holders	1,079.92	1,270.24
Total no. of equity shares at the end of the year	664,720,260	663,392,240
Weighted average number of equity shares		
For basic EPS	663,673,131	666,116,275
For diluted EPS	667,900,985	671,170,501
Nominal value of equity shares	1.00	1.00
Basic earning per share	1.63	1.91
Diluted earning per share	1.62	1.89
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	663,673,131	666,116,275
Effect of dilution: Employee stock options	4,227,854	5,054,226
Weighted average number of equity shares adjusted for the effect of dilution	667,900,985	671,170,501

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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, 2020 has been made in the financial statements based on information received and available with the Company.

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	3.48	5.78
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 (27 of 2006), along with the amounts of the payment made supplier beyond the appointed day during each accounting year;	-	-
the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

On basis of information and records available with the Group, the above disclosures are made in respect of amount due to the micro and small enterprises, which have been registered with the relevant competent authorities. The above information takes into account only those suppliers who have submitted their registration details or has responded to the inquiries made by the Company for this purpose.

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 February 17, 2013, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 30, 2013. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., April 01, 2013, April 01, 2014, April 01, 2018, October 25, 2018, April 01, 2019 and October 25, 2019

Employee stock option (ESOP) scheme (2014-15)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on February 27, 2014, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on March 31, 2014. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., April 01, 2014, April 01, 2015, April 01, 2016, October 01, 2014, October 01, 2015, October 01, 2016, April 01, 2018 and October 25, 2018.

Employee stock option (ESOP) scheme (2019-20)

The scheme has been adopted by the Board of Directors pursuant to resolution passed at its meeting held on June 29, 2019, read with Special Resolution passed by shareholder of the company at the extra ordinary general meeting held on July 30, 2019. The plan entitles senior employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled in demat mode. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of Re 1 which is 93% to 99% below the market price at the date of grant, i.e., January 01, 2020

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for the year ended 31st March, 2020

Scheme	ESOP Scheme 2013-14		ESOP Scheme 2019-20
Date of grant	April 1 , 2019	October 25 , 2019	January 01, 2020
Number of options granted	209,000	217,679	100,000
Exercise price per option	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.
Exercise period	1 year - 5 years	1 year - 5 years	1 year - 5 years
Method of settlement	Demat mode	Demat mode	Demat mode

The following table sets forth a summary of the activity of options:

Particulars	2019-20			2018-19		
	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20	ESOP Scheme 13-14	ESOP Scheme 14-15	ESOP Scheme 19-20
Options						
Outstanding at the beginning of the year	146,211	5,031,860	-	250,000	3,766,850	-
Granted during the year	426,679	-	100,000	346,211	1,821,360	-
Exercised during the year	(290,060)	(1,037,960)	-	(200,000)	(548,850)	-
lapse during the year	(19,150)	(27,680)	-	(250,000)	(7,500)	-
Outstanding at the end of the year	263,680	3,966,220	100,000	146,211	5,031,860	-
Exercisable at the end of the year	263,680	3,966,220	100,000	146,211	5,031,860	-

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	2019-20	2018-19
Employee stock option plan	51.38	68.92
Total employee share based payment expense	**51.38**	**68.92**

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	2019-20			2018-19	
Option grant date	April 01, 2019	October 25, 2019	January 01, 2020	April 1, 2018	October 25 , 2018
Weighted average share price	43.19	45.01	55.12	148.50	30.80
Exercise price	1.00	1.00	1.00	1.00	1.00
Expected volatility	50%	71%	71%	44%	96%
Expected life (years)	5	5	5	5 years	5 years
Dividend yield	0.47%	0.47%	0.47%	0	0
Risk-free interest rate (%)	6.31%	5.41%	5.03%	7.40%	7.87%
Fair market value share	42.22	43.99	52.92	147.81	30.22

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 Re. 1/- each. The Company has created "Infibeam Employees Welfare Fund" by way of a trust on September 5,

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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:

(₹ in million)

Particulars	Approval Date	No. of SAR's	SAR Price
Option grant date	February 14, 2019	2,796,311	141.00

Movement in options:

(₹ in million)

Particulars	SAR Scheme 2017 As at March 31, 2020	SAR Scheme 2017 As at March 31, 2019
SAR Scheme 2017		
Outstanding at the beginning of the year	2,276,311	-
Granted during the year	-	2,796,311
Exercised during the year	-	-
Lapse during the year	(245,000)	(520,000)
Outstanding at the end of the year	2,031,311	2,276,311
Exercisable at the end of the year	2,031,311	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 interchangeably for both segments where there is no basis maintained by the group for allocation are included under unallowable corporate expenses as looked by CODM. 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.

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Primary Segment:

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue		
Total Revenue		
Ecommerce - sale of products	-	2,026.08
Ecommerce- Sale of software and ecommerce related ancillary services	6,480.92	9,564.60
External revenue		
Ecommerce - sale of products	-	2,026.08
Ecommerce- Sale of software and ecommerce related ancillary services	6,480.92	9,564.60
Total revenue	**6,480.92**	**11,590.68**
Segment result		
Ecommerce - sale of products	-	(136.94)
Ecommerce- Sale of software and ecommerce related ancillary services	950.94	1,793.79
Unallocated corporate expenses (net of unallocated income)	(314.49)	123.75
Operating profit	1,265.43	1,533.10
Interest expense	43.48	66.53
Interest income	70.76	68.11
Profit / (loss) before tax	**1,292.71**	**1,534.68**
Income taxes	212.21	271.47
Profit / (loss) after tax	**1,080.51**	**1,263.22**

Other Information:

(₹ in Million)

	As at March 31, 2020	As at March 31, 2019
Segment assets		
Ecommerce - sale of products	-	-
Ecommerce- Sale of software and ecommerce related ancillary services	22,576.47	21,969.03
Unallocated corporate assets	9,200.28	9,774.51
Total assets	**31,776.75**	**31,743.54**
Segment liabilities		
Ecommerce - sale of products	-	-
Ecommerce- Sale of software and ecommerce related ancillary services	2,457.46	3,399.42
Unallocated corporate liabilities	875.81	974.44
Total liabilities	**3,333.28**	**4,373.86**
Capital expenditure		
Ecommerce - sale of products	-	0.25
Ecommerce- Sale of software and ecommerce related ancillary services	925.52	1,307.16
Unallocated	205.13	212.94
Depreciation		
Ecommerce - sale of products	-	35.38
Ecommerce- Sale of software and ecommerce related ancillary services	779.48	587.33
Unallocated	134.05	199.36
Non cash expenses other than depreciation		
Ecommerce - sale of products	-	20.91
Ecommerce- Sale of software and ecommerce related ancillary services	34.66	127.19
Unallocated	8.90	30.51

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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)

	Period ending	India	UAE	Others	Total
Revenue from operations and other operating revenue	31-03-20	5,456.27	675.83	348.81	6,480.92
	31-03-19	7,344.81	3,763.82	482.06	11,590.68
Carrying amount of segment non current assets*	31-03-20	21,581.86	94.42	-	21,676.28
	31-03-19	22,127.74	107.63	-	22,235.37

* 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. Lease

The Company's lease asset primarily consist of leases of buildings offices having the various lease terms. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020

(₹ in million)

Particulars	Right to use asset Leasehold Building March 31, 2020
Balance as at April 1, 2019	
Transition impact on account of adoption of Ind AS 116 "Leases" (refer Note 3)	60.13
Reclassified from Earnest money and Security Deposits (refer note below)	-
Total Right of Use on the date of transition	**60.13**
Additions during the year	-
Deletion during the year	-
Depreciation of Right of use assets (refer note 5)	14.94
Balance as at March 31, 2020	**45.19**

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for the year ended 31st March, 2020

The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

(₹ in million)

Particulars	Lease Liability Leasehold Building March 31, 2020
Transition impact on account of adoption of Ind AS 116 "Leases"	60.13
Additions during the year	-
Finance cost accrued during the year	5.25
Deletions	-
Payment of lease liabilities	(17.59)
Balance as at March 31, 2020	**47.79**
Current maturities of Lease liability (refer note 13)	13.13
Non-Current Lease Liability (refer note 13)	34.66

The adoption of the new standard has also resulted in decrease in profit before tax and profit for the year by ₹ 2.60 million (Increase in depreciation expense and finance cost by ₹ 14.94 million and ₹ 5.25 million respectively with corresponding decrease in other expense by ₹ 17.59 million). The effect of this adoption is insignificant on earnings per share. Ind AS 116 has also resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments by ₹ 17.59 million each. Total Deferred tax expense and deferred tax liabilities are decreased by ₹ 0.91 million.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.65%

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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 fair value measurement hierarchy for assets and liabilities:

As at 31 March 2020

(₹ in million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through: Other comprehensive income	Fair value through: Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	4,092.02	615.79	82.76	4,790.56	-	-	4,790.56	4,790.56
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	471.76	-	-	471.76	-	-	471.76	471.76
	4,563.78	**615.79**	**82.76**	**5,262.32**	**-**	**-**	**5,262.32**	**5,262.32**
Financial liabilities								
Long term borrowing	175.81			175.81		-	175.81	175.81
Other Financial Liabilities	34.66			34.66		-	34.66	34.66
		-	-	-	-	-	-	-
	210.47	**-**	**-**	**210.47**	**-**	**-**	**210.47**	**210.47**

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for the year ended 31st March, 2020

(₹ in million)

Particulars	Carrying amount				Fair value			
	Amortised Cost	Fair value through Other comprehensive income	Fair value through Profit and loss	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	3,581.94	615.79	-	4,197.73	-	-	4,197.73	4,197.73
Current investment	-	-	-	-	-	-	-	-
Other Non-current financial asset*	93.53	-	-	93.53	-	-	93.53	93.53
	3,675.47	**615.79**	**-**	**4,291.26**	**-**	**-**	**4,291.26**	**4,291.26**
Financial liabilities								
Long term borrowing	265.33			265.33		-	265.33	265.33
	265.33	**-**	**-**	**265.33**	**-**	**-**	**265.33**	**265.33**

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 2019-20	FY 2018-19
Opening Balance on April 1	-	2.10
Net change in fair value (unrealised)		-
Purchases	550.50	1,352.50
Sales	(550.50)	(1,354.60)
Closing Balance on March 31	**-**	**-**

Level 2 - Valuation technique and significant observable inputs for assets and liabilities

Long term borrowings represents loan taken from bank. The fair value of borrowing is derived based on market observable interest rate.

The fair values of the unquoted non current investment have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows and discount rate. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted preference investments.

Notes to the Consolidated Financial Statements

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B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The treasury team recommends risk management objectives and policies. The activities of this operations include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and 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, 2020, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

(₹ in million)

	Carrying amount	
Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Domestic	56.47	0.72
Other regions	516.17	243.73
	572.64	**244.45**

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Impairment

At March 31, 2020, the ageing of trade and other receivables that were not impaired was as follows.

(₹ in million)

Particulars	Carrying amount			
	As at March 31, 2020		As at March 31, 2019	
	Upto 0-180 days	More than 180 days	Upto 0-180 days	More than 180 days
Gross	546.54	80.14	200.72	85.31
Less: Provision	(11.75)	(42.28)	(7.89)	(33.70)
Net	**534.79**	**37.86**	**192.83**	**51.62**

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, 2020 and 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, 2020			
Interest bearing borrowings*		87.90	175.81
Trade payables		313.09	-
Other financial liabilities		257.52	34.66
	-	**658.51**	**210.47**
The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:			
Year ended March 31, 2019			
Interest bearing borrowings*		137.68	265.33
Trade payables		183.96	-
Other financial liabilities		349.58	-
	-	**671.22**	**265.33**

* 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, SAR, AED and Euro. 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.

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Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, SAR, AED and GBP rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in USD rate	Effect on profit before tax
March 31, 2020	+5%	14.85
	-5%	(14.85)
March 31, 2019	+5%	18.63
	-5%	(18.63)

	Change in AED rate	Effect on profit before tax
March 31, 2020	+5%	10.25
	-5%	(10.25)
March 31, 2019	+5%	0.47
	-5%	(0.47)

	Change in SAR rate	Effect on profit before tax
March 31, 2020	+5%	0.47
	-5%	(0.47)
March 31, 2019	+5%	0.69
	-5%	(0.69)

	Change in GBP rate	Effect on profit before tax
March 31, 2020	+5%	-
	-5%	-
March 31, 2019	+5%	(0.06)
	-5%	0.06

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.

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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, 2020	Year ended March 31, 2019
Interest-bearing loans and borrowings (Note 13)	263.71	351.60
Less: cash and cash equivalent and other bank balance (Note 7)	(1,038.72)	(1,327.93)
Net debt	**(775.02)**	**(976.32)**
Equity share capital (Note 11)	664.72	663.39
Other equity (Note 12)	27,784.84	26,713.01
Total capital	**28,449.56**	**27,376.40**
Capital and net debt	27,674.54	26,400.08
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, 2020, March 31, 2019.

37. 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.

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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 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:

(₹ in million)

Particulars	Amount
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.

(₹ in million)

Particulars	Amount
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**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

Breakup of purchase consideration

(₹ in million)

Particulars	Amount
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 India 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.

38. Nodal account balance

The holding company maintains nodal account with ICICI Bank, HDFC Bank and Kotak Mahindra Bank. The nodal accounts are operated as per RBI guidelines pertaining to settlement of payment for electronic payment transactions for payment gateway business. The balance in the nodal accounts represents money collected from customers on transaction undertaken and is used for settling of dues to various merchants as per RBI guidelines.

Receivable for settlement of transactions:
The balance in receivable for settlement of transaction represents the amount pending to be received from pooling bank account and payment gateway for successful online transaction completed by the customer of the merchant into the nodal accounts. These amounts once collected in Nodal account will be utilized for payment to the merchants.

Payable for settlement of transactions:
The balance in payable for settlement of transaction represents the amount pending to be paid to merchant for successful online transaction completed by the customer of the merchant. The amount for the nodal accounts are transferred to the merchant designated bank account as per RBI guidelines, after deducting applicable charges.

39. Consolidation of Trust

The holding 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 holding Company under the plan, providing share based payment to its employees. IEW trust purchases holding Company's shares out of funds provided by the holding Company. The holding 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 holding 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, 2020 were as follows:

(₹ in Million)

Particulars	2019-20	2018-19
Corpus Fund	-	-
Borrowing	401.96	398.00
Current liabilities and provision	40.29	43.67
Cash and cash equivalents	0.26	0.02
Non current investments	396.06	396.06
Net asset / (liability)	**(45.94)**	**(45.59)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

(ii) Impact on the Company's profit and loss post IEW Trust consolidation for the year March 31, 2020

(₹ in Million)

Particulars	2019-20	2018-19
Income		
Dividend on equity	0.28	0.23
Expenses	-	-
Administrative expense	0.62	1.01
Interest expense	-	36.51
Impact on profit before tax	**(0.34)**	**(37.30)**

(iii) Summarised statement of cash flows of the Trust consolidated for the year ended March 31, 2020

(₹ in Million)

Particulars	2019-20	2018-19
Cash and cash equivalents April 1	0.02	0.83
Cash flow from operating activities	(4.00)	34.82
Cash flow from investing activities	0.28	(117.12)
Cash flow from financing activities	3.96	81.49
Cash and cash equivalents March 31	**0.26**	**0.02**

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, 2020 (previous year: ₹ 396.06 Million).

(b) Dividend Income

The dividend income of the Trust is debited to the holding Company's retained earning amounting to ₹ 0.28 Million as at March 31, 2020 (previous year: ₹ 0.23 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 ₹ 401.96 Million as at 31st March, 2020 (previous year: ₹ 398 Million) forming a part of current loans. Accordingly, interest on above loan is also eliminated amounting to ₹ Nil (previous year: ₹ ₹ 36.51 Million).

(d) Interest Expenses

Due to significant difference in the purchase price of the shares acquired and prevailing market price of the share, the Company foresees inability of the IEW Trust to service its loan obligations and interest payment temporarily. Accordingly the Company has reduced the interest on loan to zero.

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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

₹ 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, 2020 in the books of holding company	Unutilised amount as on March 31, 2020 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	2,352.00	-
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**	**4,161.70**	**-**

(₹ in Million)

Particulars	As at March 31, 2020	As at March 31, 2019
- In fixed deposits	-	-
- In current account with bank	-	251.50
Total	**-**	**251.50**

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, 2020 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 31st March, 2020

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)	97.60%	27,761.62	-8.68%	(93.74)	160.06%	(1.17)	-8.78%	(94.91)
Subsidiary								
Indian								
1. Infibeam Digital Entertainment Private Limited	-0.45%	(127.09)	1.09%	11.79	0.00%	-	1.09%	11.79
2. Odigma Consultancy Solutions Private Limited	2.77%	788.77	49.98%	539.99	10.77%	(0.08)	49.97%	539.91
3. Infibeam Logistics Private Limited	-0.17%	(48.48)	3.26%	35.17	0.00%	-	3.26%	35.17
4. DRC Systems India Limited (formerly known as DRC Systems India Private Limited)	0.13%	38.04	2.07%	22.37	-36.12%	0.26	2.10%	22.64
5. Avenues Infinite Private Limited	-0.07%	(20.91)	0.08%	0.86	0.00%	-	0.08%	0.86
Foreign								
1. Vavian International Limited (From July 1, 2018)	-0.08%	(24.10)	-2.75%	(29.68)	0.00%	-	-2.75%	(29.68)
2. Avenues World FZ LLC (From July 1, 2018)	0.29%	81.70	7.70%	83.24	0.00%	-	7.70%	83.24
Non-Controlling interest in subsidiary	-0.02%	(6.08)	0.05%	0.58	-34.71%	0.25	0.08%	0.84
					0.00%	-	0.00%	-
Associates								
Indian								
1. Avenues Payments India Private Limited			-1.29%	(13.94)	0.00%	-	-1.29%	(13.94)
2. Instant Global Paytech Private Limited (From January 03, 2019)			-1.81%	(19.56)	0.00%	-	-1.81%	(19.56)
3. NSI Infinium Global Limited (formerly known as NSI Infinium Global Private Limited) (From March 1, 2019)			-1.65%	(17.86)	0.00%	-	-1.65%	(17.86)
4. Sine Qua Non Solutions Private Limited (From March 1, 2019)			0.00%	-	0.00%	-	0.00%	-
Foreign								
1. Infibeam Global EMEA FZ LLC (From March 22, 2019)			49.67%	536.72	0.00%	-	49.67%	536.72
2. Rich Relevants Limited (From March 22, 2019)			2.27%	24.53	0.00%	-	2.27%	24.53
Total	**100%**	**28,443.48**	**100%**	**1,080.51**	**100%**	**(0.73)**	**100%**	**1,079.78**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

43. Investment in Associate

The following table depicts the summarised financial information of the Group's investment in associates.

(₹ in Million)

Summarised Balance Sheet	Avenues Payments India Private Limited		Instant Global Paytech Private Limited		Infibeam Global EMEA FZ LLC		Rich Relevants Limited		NSI Infinium Global Limited		Sine Qua Non Solutions Private Limited		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Current assets	98.09	172.11	62.79	59.19	3,706.77	2,191.74	2,516.15	1,104.11	579.06	603.06	-	0.62	6,962.87	4,130.84
Non current assets	145.15	78.30	18.40	4.24	2,431.86	641.62	-	-	528.06	684.11	-	0.02	3,123.47	1,408.28
Current liabilities	13.95	6.95	79.43	22.29	154.81	315.84	2,084.07	755.95	137.69	298.97	-	20.39	2,469.95	1,420.39
Non current liabilities	41.79	2.46	0.83	0.63	-	-	-	-	5.11	4.80	-	-	47.72	7.89
Equity	187.51	241.00	0.94	40.51	5,983.81	2,517.52	432.09	348.17	964.32	983.40	-	(19.76)	7,568.66	4,110.84
Proportion of the Group's ownership	22.69%	22.69%	48.00%	48.00%	49.00%	100.00%	49.00%	100.00%	93.59%	93.59%	-	93.59%		
Carrying amount of investment	**42.55**	**54.68**	**0.45**	**19.44**	**2,932.07**	**2,517.52**	**211.72**	**348.17**	**902.49**	**920.34**	**-**	**-18.49**	**4,089.27**	**3,841.67**

Summarised statement of profit and loss	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue	93.91	56.64	248.09	20.89	3,038.10	91.80	3,086.97	150.35	1,590.77	355.33	-	2.80	8,057.83	677.81
Cost of Sale	-	-	224.50	16.49	2,138.57	-	3,025.44	-	-	-	-	-	5,388.51	16.49
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	739.46	328.29	-	2.80	739.46	331.09
Changes in inventories of stock-in -trade	-	-	-	-	-	-	-	-	8.64	8.14	-	-	8.64	8.14
Employee benefits expense	101.01	47.00	57.99	9.70	10.47	0.44	-	-	30.33	3.37	-	0.14	199.80	60.65
Finance cost	1.15	-	-	0.16	-	-	-	-	1.30	0.24	-	0.01	2.45	0.41
Depreciation	14.71	5.03	0.90	0.09	2.99	5.60	-	-	158.27	15.89	-	-	176.86	26.60
Other expenses	38.94	30.21	6.40	0.65	6.78	46.09	12.59	84.43	671.88	26.82	-	0.06	736.59	188.26
Profit / (Loss) before tax	**(61.91)**	**(25.59)**	**(41.70)**	**(6.20)**	**879.29**	**39.67**	**48.94**	**65.93**	**(19.10)**	**(27.42)**	**-**	**(0.21)**	**805.53**	**46.17**
Income tax (credit)	0.09	-	-	-	-	-	-	-	-	(5.14)	-	(0.03)	-	-
Profit / (Loss) for the year	**(61.99)**	**(25.59)**	**(41.70)**	**(6.20)**	**879.29**	**39.67**	**48.94**	**65.93**	**(19.10)**	**(22.28)**	**-**	**(0.18)**	**805.53**	**46.17**
Other Comprehensive Income / (Loss)	(0.56)	(0.23)	(0.95)	(0.10)	-	-	-	-	(0.02)	(0.45)	-	-	(1.53)	(0.78)
Total comprehensive profit / (loss) for the year	**(61.43)**	**(25.36)**	**(40.74)**	**(6.10)**	**879.29**	**39.67**	**48.94**	**65.93**	**(19.08)**	**(21.83)**	**-**	**(0.18)**	**807.06**	**46.95**
Proportion of the Group's ownership at year end	22.69%	22.69%	48.00%	48.00%	49.00%	100.00%	49.00%	100.00%	93.59%	93.59%	-	93.59%	0.00%	0.00%
Group's share of profit / (loss) for the year	**(13.94)**	**(5.75)**	**(19.56)**	**(2.93)**	**536.72**	**39.67**	**24.53**	**65.93**	**(17.86)**	**(20.43)**	**-**	**(0.17)**	**509.90**	**76.31**
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 31st March, 2020

44. Corporate Social Responsibility (CSR) Activities:

a. The Company is required to spend ₹ 7.27 Million (Previous Year ₹ 3.45 Million) on CSR activities.

b. Amount spent during the year on:

(₹ in Million)

	Year ended					
	March 31, 2020			March 31, 2019		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of an Assets	-	-	-	-	-	-
(ii) Contribution to Trust / Universities	7.30	-	7.30	3.45	-	3.45
(iii) On Purposes other than (ii) above	-	-	-	-	-	-

45. During the year, Infibeam Avenues Limited ('the Company') have entered into Scheme of Arrangement as follows:

(a) Demerger of the SME E-Commerce Services Undertaking of the Company and transfer the same to Suvidhaa Infoserve Limited ('Suvidhaa') which includes issuance of equity shares by Suvidhaa to the equity share holders of the Company;

(b) Demerger of the E-Commerce Business Undertaking of NSI Infinium Global Limited ('NSI') and transfer the same to Suvidhaa which includes issuance of equity shares by Suvidhaa to the equity share holders of NSI.

(c) Demerger of the Themepark & Event Software Undertaking of the Company and transfer the same to DRC Systems India Limited ('DRC') which includes issuance of equity shares by DRC to the equity share holders of the Company;

The accounting impact of the same would be given in the books of account on approval of the Scheme by the Regulatory Authority on appointed date.

46. During the year, the Company has received Government grant amounting to ₹ 95.85 million against purchase of qualifying assets (Office Building and Data Centre related infrastructure). The same have been deducted from the carrying amount of the qualified assets. Accordingly, depreciation expense on qualified assets has been less charged to the statement of profit and loss by ₹ 9.67 million.

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, 2020 and March 31, 2019 by offerings.

i) Revenue by offerings

(₹ in Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Digital Payment and Checkout Web Services	5,786.69	5,736.93
E-Commerce Related Web Services	694.23	3,827.68
Ecommerce - sale of products	-	2,026.08
Total	**6,480.92**	**11,590.68**

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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

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, 2020 is ₹ 48.96 million (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, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	184.67	137.37
Derecognition in view of disinvestment of subsidiaries	-	(40.70)
Revenue recognised during the year	528.76	184.65
Invoices raised during the year	(186.78)	(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	**526.65**	**184.67**

d) Changes in unearned and deferred revenue are as follows:

(₹ in Million)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	227.17	6.69
Revenue recognised that was included in the excess billing over revenue at the beginning of the year	(177.23)	(5.25)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	6.37	225.73
Translation exchange difference	-	-
Balance at the end of the year	**56.31**	**227.17**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2020

48. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Company. On account of this, the Company has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment testing of goodwill and intangible assets having indefinite useful life, using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and nonfinancial assets. The Company will continue to closely monitor any material changes to future economic conditions.

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

Place : Gandhinagar

Dated : June 05, 2020

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

Place : Gandhinagar

Date : June 05, 2020

Ajit Mehta

Chairman

DIN: 01234707

Place : Gandhinagar

Date : June 05, 2020

Hiren Padhya

Chief Financial Officer

Place : Gandhinagar

Date : June 05, 2020

Shyamal Trivedi

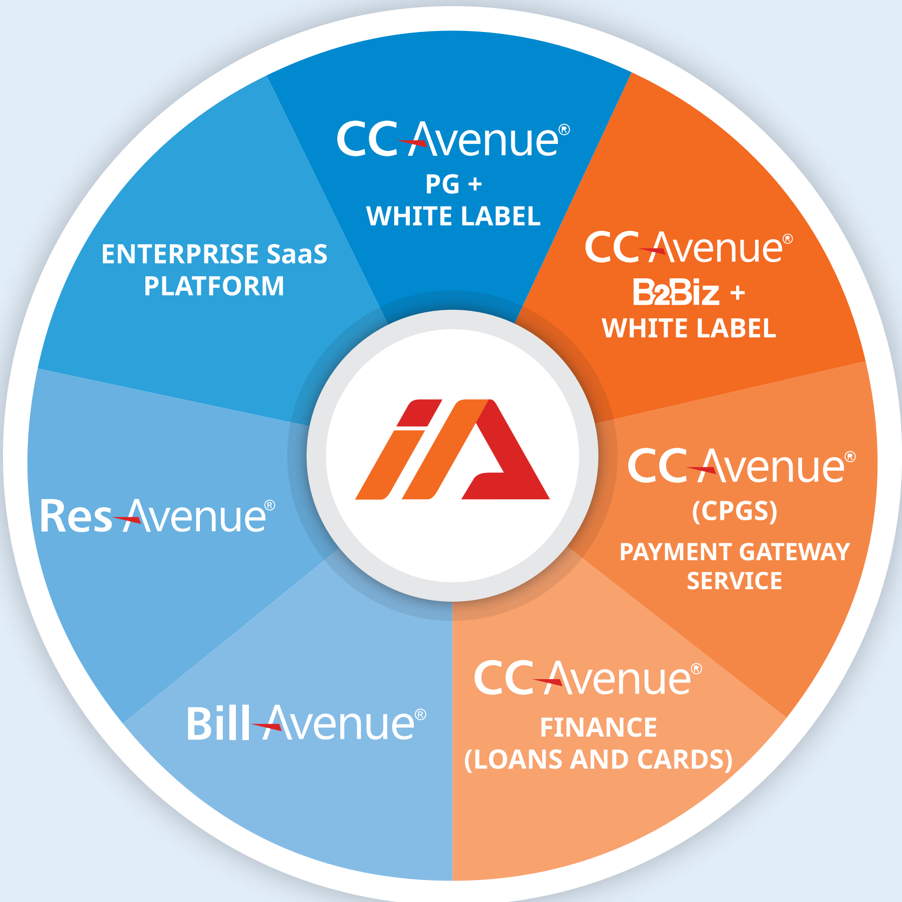
Company Secretary

Place : Gandhinagar

Date : June 05, 2020

Notes

Accelerating growth by expanding revenue streams through 7 Fintech Platforms



Existing businesses

- **CCAvenue Payment Gateway (PG)** & white-label solution for private & public sector businesses and banks
- **BillAvenue**; single window bill payments platform for billers and customers
- **ResAvenue**; hospitality booking and channel manager platform with integrated CCAvenue PG
- **Enterprise SaaS Platform** and value added services for eCommerce

New businesses launched post balance sheet

- **B2Biz**; business collections & payments, and white-label solution for businesses and banks
- **CCAvenue Payment Gateway Services (CPGS)**; Full stack PG deployment for banks with MPI, switch, payment network connectivity and more to process card payments
- **CCAvenue Finance**; Digital lending and card issuance

Generating significant processing traffic through our Fintech Platforms

Registered Office:
28th Floor, GIFT Two Building, Block No. 56,
Road-5C, Zone-5, GIFT CITY, Gandhinagar,
Taluka & District - Gandhinagar - 382355, Gujarat, India
E-mail: ir@ia.ooo | Website: www.ia.ooo

INFIBEAM AVENUES™
PAYMENTS | PLATFORMS

/Concept, content and design at AICL (hello@aicl.in)