Affle (India) Limited

POWERING THE CONNECTED NEXT

INTEGRATED ANNUAL REPORT 2020-21

BUSINESS HIGHLIGHTS

Global Reach **2.2bn+ connected devices**

R&D Minds **147**

Patents Filed/Granted **19**

User Conversions **105mn+**

Total Revenue CAGR (4-year) **49.3%**

Note: All data is as of March 31, 2021, except for Patent details which are as of July 31, 2021.
Numbers are rounded off to the nearest absolute/decimal point

INTEGRATED REPORT CONTENT

1 STRATEGIC REVIEW

2 STATUTORY REPORTS

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4 NOTICES

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To view this report and our previous year 2019-20 report online, please visit **www.affle.com**

*GRI 102-51

ABOUT THE REPORT

THE BOARD'S WELCOME ADDRESS

We welcome all shareholders to Affle (India) Limited's first integrated annual report. This report is prepared in accordance with the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC) and provides the readers a concise and accurate assessment of our ability to create long-term sustainable value.

This report outlines the Company's business performance during financial year 2020-21, along with performance demonstrated through the six capitals of the Integrated Reporting <IR> framework. The Company has taken a voluntary reporting approach to also include sustainability reporting as per the Global Reporting Initiative (GRI) Standards: Core Option and United Nations Sustainable Development Goals (UN SDGs). ESG disclosures for the purpose of integrated and sustainability reporting were approved by the Board on August 7, 2021.

REPORTING PRINCIPLES AND FRAMEWORK

The information presented in this report is in line with the requirements and guidelines of:

- The Companies Act, 2013 (including the rules made thereunder)
- The Indian Accounting Standards
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India
- Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC)
- Global Reporting Initiative (GRI) Standards
- United Nations Sustainable Development Goals (UN SDGs)

REPORTING PERIOD

This report covers consolidated and standalone financial information of the Company for the period April 1, 2020 to March 31, 2021. It also covers Key Performance Indicators which are also as of March 31, 2021 except for Patent details which are as of July 31, 2021.

SCOPE AND BOUNDARY

The report extends beyond financial and statutory reporting and includes non-financial performance including operating metrics, strategy, risks, materiality and sustainability disclosures. The report showcases our purpose, mission and strategic focus leading to value creation for all our stakeholders.

ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

The UN SDGs provide a blueprint for businesses to contribute to a better future and lead towards sustainable progress of the nation and the planet. Out of the 17 SDGs, we have identified 10 SDGs which are relevant to our business and the ones which we can support through our operations.

SUSTAINABLE DEVELOPMENT GOALS

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

OUR SIX CAPITALS

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social and Relationship Capital
- Natural Capital

OUR STAKEHOLDERS

- Customers
- Government, Regulatory and Trade Bodies
- Employees
- Shareholders and Investors
- Publishers and Ecosystem-level Partners
- NGOs and Society at large

CONTACT

For any queries on this report, please contact compliance@affle.com

DISCLAIMER

This document is prepared by Affle (India) Limited ("Affle" or the "Company"), is solely for information purposes and does not constitute an offer to buy, sell, or recommendation or solicitation of an offer to subscribe for, or purchase any securities of the Company or enter into any agreement with regard to any investment. Nothing contained herein shall form the basis of any contract or commitment whatsoever. Certain statements in this report concerning the future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. Forward looking statements contained in this document should not be taken as a representation that such trends or activities will continue in the future and no undue reliance should be placed on them. The Company assumes no obligation to revise or update any forward-looking statements.

You acknowledge and agree that the Company, its Promoters, Directors and/or its affiliated companies and/or their respective employees and/or agents have no responsibility or liability (express or implied) whatsoever and howsoever arising (including, without limitation for any claim, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this document; and neither any liability in respect of any inaccuracy therein or omission therefrom, which might otherwise arise is hereby expressly disclaimed.

*GRI 102-1, 102-46, 102-50, 102-52, 102-54

*GRI 102-40, 102-53

The NEXT is Now

The world is undergoing a paradigm shift with rapid progression of intelligent systems and connected mobility solutions integrating with social innovation and sustainability. Connected and digital experiences are redefining the consumer preferences and pushing the limits for the enterprises globally to transcend to mobile-first priorities.

INNOVATION IS NOT JUST IDEATION, BUT IMPACT

We, at Affle, pride ourselves in successfully navigating several industry and technological changes by consistently innovating over the past 15+ years to deliver sustainable positive impact and growth for all our stakeholders.

Affle unifies and simplifies the fragmented advertising and marketing tech ecosystem by providing an end-to-end integrated mobile marketing platform. Our deep learning artificial intelligence powered algorithms transform ads into consumer recommendations delivering conversions and ROI for the brands globally. Our technology deep-dives into the industry verticals we serve, integrating platform offerings across the ad tech value chain and enabling a strong customer-centric culture.

We distinguish ourselves by innovating, continuously scaling up our tech capabilities and have the long-term vision to Power the Next for a mobile-first connected world through our Affle2.0 strategy for the decade ahead.

*GRI 102-14

Powering The Next with Affle2.0 Strategy

Affle2.0 strategy is primarily anchored on Vernacular, Verticalization and Ecosystem-level mobile Original Equipment Manufacturers (OEMs), operators and publisher partnerships to drive digitally inclusive growth for all our stakeholders. Affle2.0 aims to reach 10Bn connected devices including mobile smartphones, connected TV, smart wearables and out-of-home screens to enable integrated omnichannel online and offline consumer journeys.

Vernacular: Enables hyper-personalized consumer recommendations and targeting next set of users coming from Indian tier-II/tier-III/rural areas and other emerging markets where native, regional languages are predominant.

Verticalization: Draws deeper insights across the high-growth industry verticals leading to greater ROI impact for the customers.

Ecosystem-Level Partnerships: Partnerships with mobile OEMs, operators and publishers to enable exclusive access to on-device touchpoints and augment holistic advertisement across the consumers' connected journey.

Affle2.0 growth strategy is our design-thinking approach for Powering the Connected Next that orchestrates digital priorities of the advertisers globally.

*GRI 102-14

CHAIRMAN'S ADDRESS

Powering Scalable and Sustainable Growth

Dear Shareholders,

I extend my heartfelt appreciation to you all for the unwavering support and trust in Affle. FY2020-21 was severely marked by the COVID-19 pandemic and our heart goes out to all the people who were affected. I am extremely proud of all Afflers that helped the company grow from strength to strength in such macro-economic conditions. Affle concluded another landmark year with our continued focus on sustainable value creation, closing the period with highest revenue, conversions, profitability and cash flow from operations achieved till date.

Purpose-Oriented Growth

Affle's purpose to 'Enable a Sustainable Connected Ecosystem' is defined by four strategic principles - To make the connected landscape: Accessible, Affordable, Ethical and Inclusive. Our purpose has become even more relevant, with a massive consumer adoption of connected devices across the emerging markets globally. There has been a generational change in the way people now connect online, a volume burst in usage of connected screens and an enhanced adoption curve of consumers becoming online shoppers. This has progressively driven the advertiser budget shifts towards ROI and data focused mobile marketing. Global brands and app marketers are increasingly engaging with us, for powering their mobile-first digital journey and delivering them high value business outcomes.

Value Creation through Continued Innovation

Our tech-enabled platform-focused innovations as part of Affle2.0 strategy played out well in FY2020-21. We successfully integrated our platforms, teams and IP Portfolio to unlock innovative vernacular consumer experiences and deeper verticalization across our E, F, G and H industry verticals. We also augmented our mobile OEMs, operators and publisher partnerships to power an open internet connected ecosystem across the global emerging markets. This has further strengthened our consumer platform and enabled greater ROI impact for our customers.

Robust Strategic Progress

Our investments across products and platforms contributed meaningfully to the overall growth, which enabled us to consistently stay ahead of the curve by fortifying our market position. The strategic thinking and investment efforts put into enhancing our end-to-end ad tech value proposition is helping us drive sustainable and inclusive growth results for all our stakeholders.

We have actively fostered a culture of innovation and consistently stayed ahead of the curve. We will continue to build on these strengths and further invest to significantly enhance our strategic defensibility and market reach to power our ambition of scaling to 10Bn connected devices as part of Affle2.0 growth strategy for the decade ahead.

Further, we consciously made efforts towards enhancing our team capabilities in India and notably investing in it. We also built local on-ground presence in some of the international geographies like South East Asia, Middle East Africa and CIS markets to augment the next level of growth in the long-run.

Spirited Performance

Innovation, leadership and growth mindset defined our consistent all-round performance in FY2020-21. We continued on our growth momentum to perform well across all the business and financial metrics and registered a growth of 54.8% in our Revenue from Operations. Our Profit After Tax increased by 105.8% and Normalized PAT increased by 57.4%. This growth was broad based coming from both existing and new customers, contributed by consistent growth in advertiser spends across our top industry verticals in India and International Markets. Our strong cash flows and balance sheet will ensure that the company continues to invest to drive long-term sustainable growth through technology innovation, market expansion and consolidation.

Successful Tech Acquisitions

Affle has an outstanding track record of unlocking an all-round profitable growth for the acquired companies by successfully turning them around over a period of time. We strive to retain the management teams of the acquired companies, empower and align them to our long-term business goals. We derive significant synergies with these platforms and see them further strengthening our comparative moat.

Embracing ESG

We have initiated proactive adoption of ESG principles. We shall continue to examine our broader role towards holistic upliftment of society at large while ensuring we remain one of the most trusted partner of choice to power the connected ecosystem for advertisers globally. We remain focused upon maintaining best-in-class corporate governance practices with highest levels of business integrity and transparency at play.

Forward looking

Affle is 'Built to Last'. We are a differentiated business, growing profitably and our outlook for FY2021-22 is optimistic. We are strongly positioned to leverage the new market dynamics and expand across the high-growth markets globally.

I am excited about the opportunities that lie ahead for us and will conclude by extending my sincere thanks to our employees, customers, partners, investors and all other stakeholders whose continuous support help us Think Big – Think Ahead.

Sincerely,

Anuj Khanna Sohum
Chairman,
Managing Director &
Chief Executive Officer

*GRI 102-14

AFFLE AT A GLANCE

Affle is a global technology company with a proprietary consumer intelligence platform that delivers consumer recommendations and conversions through relevant mobile advertising. The platform aims to enhance returns on marketing investment through contextual mobile ads and also by reducing digital ad fraud.

Affle has been a long trusted partner for many of the world's biggest B2C brands across the industry verticals. We are enabling innovative, on-the-go and digitally empowered ways for the advertisers to deeply engage with consumers.

MISSION STATEMENT

"Driven by passion, innovation and entrepreneurial commitment, Afflers create sustainable value for stakeholders globally, through our consumer intelligence marketing platform for consumer acceptable ads, recommendations and conversions on connected devices".

OUR PURPOSE

Enable a Sustainable Connected Ecosystem.

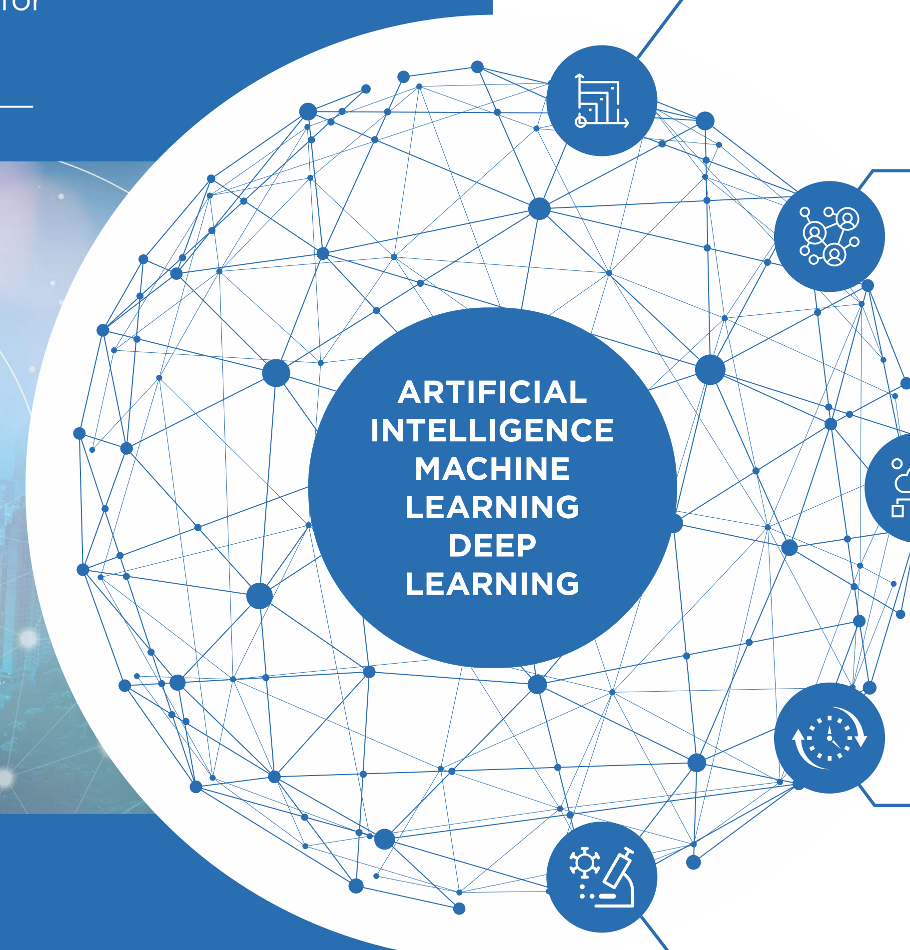
Affle's purpose is defined by four strategic principles

To make the connected landscape – Accessible • Affordable • Ethical • Inclusive

ASSET LIGHT, AUTOMATED AND SCALABLE PLATFORMS

Affle has ever since been in the forefront for developing and transforming the mobile advertising ecosystem with a unified platform approach that fosters greater transparency and optimization opportunities for both advertisers and publishers.

Our platforms are asset light, automated and have continuously delivered outcomes profitably, resulting in a healthy margin and positive cash flow business model.



Flexible and Scalable

More ads/recommendations delivered

Growth in connected devices reached

Self learning & predictive algorithm

Delivery of more precisely targeted ads/recommendations

STRONG NETWORK EFFECTS

Generate actionable outcomes and conversions for more businesses to use Affle's platforms

IN-HOUSE PLATFORM LEVERAGING CLOUD COMPUTING INFRASTRUCTURE

Secure and trusted platform to process and store large scale data over cloud computing infrastructure

PROPRIETARY AND REAL TIME

Affle's prediction and recommendation algorithm operates in real time

RESEARCH & DEVELOPMENT

A result of 15+ years of focused R&D

*GRI 102-16

*GRI 102-2

OUR BUSINESS

Consumer Platform

- **Differentiated Business Model**

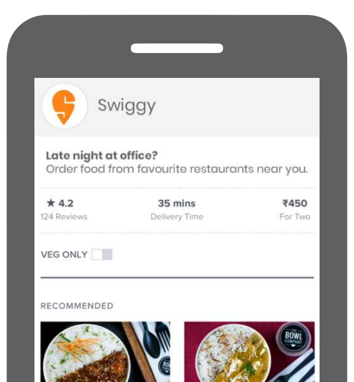
  Our consumer platform delivers consumer recommendations and conversions through relevant mobile advertising. It is driving a paradigm change with its high ROI driven Cost per Converted User ("CPCU") business model powered by the deep connected device intelligence. While the industry is largely dominated by companies operating on clicks, views and impressions, Affle is well differentiated as it drives CPCU based conversions for advertisers across the industry verticals. Most of these conversions are deeply linked to the deep funnel matrix which are always post click and post app install events done by the consumers on their smart devices.

  We primarily earn revenue on a Cost Per Converted User (CPCU) basis, which comprises of three use cases:

New user conversion (online)

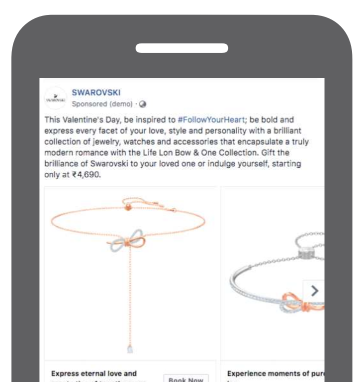
USE CASE
Targeted new user acquisition optimized to in-app transaction/ registration/event

Existing user repeat conversion (online)



USE CASE
Target interested user to complete the transaction

New/existing user conversion (offline)



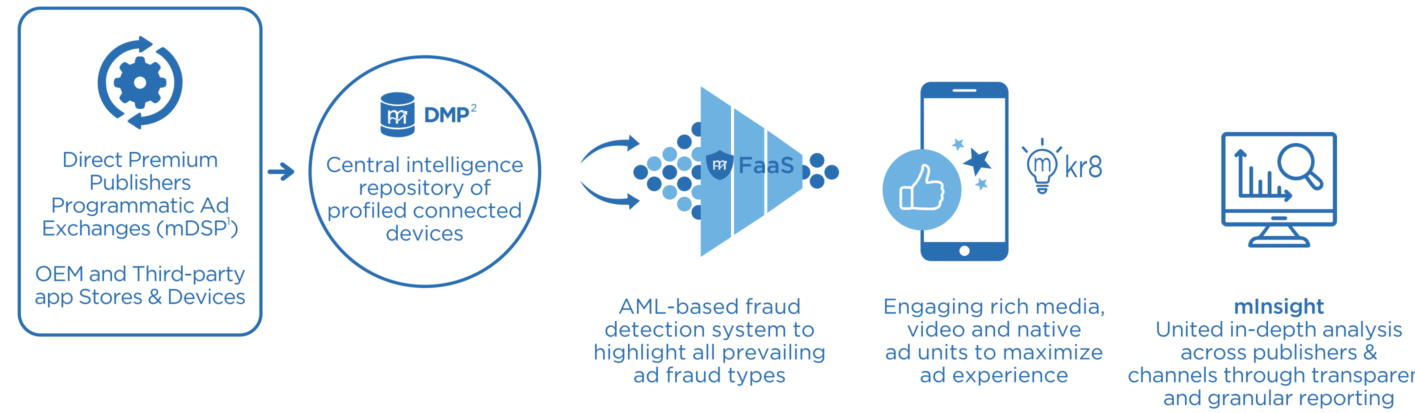
USE CASE
Online bookings to drive offline walk-ins (O2O)

- **Performance driven end-to-end mobile tech platform**

  Affle is redefining the connected landscape by leveraging its big data and machine learning capabilities to target the real online shoppers from a large set of users while simultaneously reducing ad fraud through its end-to-end mobile tech platform. The technology is based on user-intent insights derived from behavioural signals, marketing attribution and intent signals, which are processed and optimized in real time. We pride ourselves on delivering consumer acceptable ads and recommendations which paired with data-centric scientific targeting enables a higher likelihood of user conversions.

Consumer Platform drives user recommendations and conversions across the omnichannel connected ecosystem.

AUDIENCE | DATA | QUALITY | EXPERIENCE | INSIGHT



Note: 1. DSP: Demand Side Platform; 2. DMP: Data Management Platform

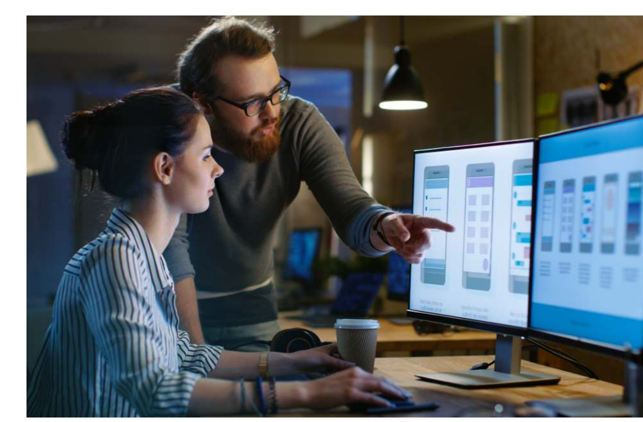
Enterprise Platform

Our Enterprise Platform offers an integrated approach to building audience-centric mobile assets and comprises:

(a) App development for third parties

(b) Enabling offline to online commerce for offline businesses with e-commerce aspirations

(c) Enterprise grade data analytics for online and offline companies



GLOBAL FOOTPRINT
WITH A KEY FOCUS ON EMERGING MARKETS

Primary markets:
India, South East Asia, Middle East & Africa and Latin America

Other key markets:
North America, Europe and Japan, Korea and Australia

2.2bn+[1]
Connected devices

Tapping the digital potential

Note: 1. Devices reached during FY2020-21. Numbers are rounded off to the nearest decimal point

OUR VALUE CREATION MODEL

CAPITAL INPUTS

Financial Capital
- Total equity
- Cash and cash equivalents
- Intangible assets

Manufactured Capital
- Tech-enabled mobile advertising platforms

Intellectual Capital
- R&D
- Intelligent enterprise
- Data-driven systems

Human Capital
- Employee welfare
- Employee training and engagements
- Work-from-home (WFH) facilitation

Social and Relationship Capital
- Stakeholders' engagement
- CSR programmes

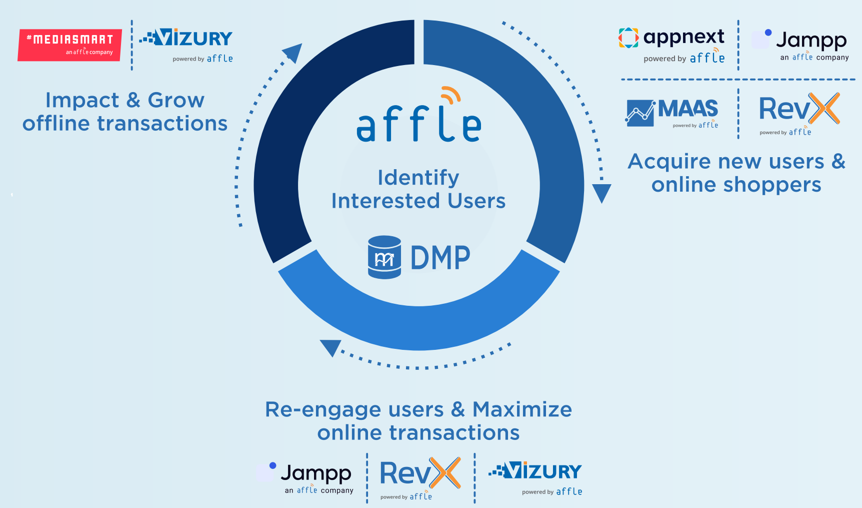
Natural Capital
- ESG mapping

STAKEHOLDERS VALUE CREATION APPROACH

OUR VALUES

Innovation | Agility | Leadership | Integrity | Social Consciousness

Affle Consumer Platform | Value Chain



Growth Enablers

Committed Leadership	Global reach and opportunity
Entrepreneurial Culture	Credible customer base
Technology and Innovation	Cost leadership
Differentiated business model	Effective Risk Management
Scalable data platforms	Prudent financial management

FY2021 OUTPUTS

Platforms accredited by IMDA Singapore for the 3rd consecutive time

Awarded 'Technology Company of the Year' at MMA Smarties for 2nd time in a row

Affle continues to be recognized as a Great Place to Work by Great Places To Work® Institute in 2021

Investing for the future. Enhanced our technology, teams, platform capabilities and deepened the access towards global emerging markets

Capabilities added/enhanced
- Connected TV (CTV)
- On-device recommendations
- Out-of-Box Experience (OOBE)
- Vernacular keyboard
- Deeper verticalization
- Mobile OEMs, operators and publisher partnerships

FY2021 CAPITAL OUTCOMES[1]

Financial Capital
- Revenue Growth: **54.8%**
- PAT growth: **105.8%**
- Normalized PAT growth: **57.4%**
- ROE: **37.6%**

Manufactured Capital
- Conversions: **105+ million**
- CTV, Appnext OOBE launched

Intellectual Capital
- R&D Minds: **147**
- Total Patents: **19**
- New innovations using AI & machine learning technologies

Human Capital
- Total Employee base: **385**
- Women employees: **128**
- Gender inclusive policies in place
- 'We Care for You' Policy
- Covid-19 related health and safety initiatives
- Work-from-home infrastructure reimbursements

Social and Relationship Capital
- Direct customers, publishers & ecosystem-level partners
- CSR expenditure: **Rs. 5.41 million**

Natural Capital
- Adopting Environmental sustainability
- 1st Integrated reporting

UN SDGs Mapped

Financial Capital: 8, 9, 10, 16
Manufactured Capital: 9
Intellectual Capital: 9
Human Capital: 5, 10
Social and Relationship Capital: 3, 4, 5, 8, 10, 16
Natural Capital: 6, 7, 12

Note: 1. All KPI and financial data is as of March 31, 2021, except for Patent details which are as of July 31, 2021.
Total and women employee count includes full-time, contractual and consultant employees.
Numbers are rounded off to the nearest decimal and growth % is the increase in FY2020-21 vs. FY2019-20.

*GRI 102-2, 102-7, 102-16

STAKEHOLDERS ENGAGEMENT

We Listen, Adapt and Improve

Stakeholder engagement is a continuous process at Affle. We have identified our global stakeholders groups that can be impacted by our strategic and operational decisions or instead impact us. We continue to engage with them regularly and stakeholder inclusiveness is a part of our core strategy.

CUSTOMERS (Advertisers)

OUR MODES OF ENGAGEMENT

- Online communication
- Regular interactions/Meetings
- Feedback from customers
- Industry events

KEY STAKEHOLDER EXPECTATIONS

- Quality assurance
- Anticipating key requirements
- Delivering high ROI
- Continued innovation

GOVERNMENT, REGULATORY AND TRADE BODIES

OUR MODES OF ENGAGEMENT

- Online Communication
- Adherence to policy updates
- Regulatory filings and compliance requirements
- Trade events
- Marketing & PR events

KEY STAKEHOLDER EXPECTATIONS

- Being fully complaint
- Robust audit and reporting frameworks
- Promoting ethical business practices

EMPLOYEES

OUR MODES OF ENGAGEMENT

- Employee engagement initiatives
- Health & well-being related initiatives
- Annual appraisals
- Weekly/Monthly review meetings
- Exit interviews
- Employee surveys
- Affle Fun League

KEY STAKEHOLDER EXPECTATIONS

- Career progression
- Health insurance, well-being, learning and development
- Employee benefits
- Transparency
- Work-life balance
- Equality

SHAREHOLDERS AND INVESTORS

OUR MODES OF ENGAGEMENT

- Quarterly & Annual Report
- Online communication
- Quarterly conference calls
- Investor conferences
- AGM/EGM and stock exchange announcements
- Other Ad-hoc call requests

KEY STAKEHOLDER EXPECTATIONS

- Consistent growth
- Wealth creation
- Robust operations
- Strong Governance

PUBLISHERS AND ECOSYSTEM-LEVEL PARTNERS

OUR MODES OF ENGAGEMENT

- Online communication
- Tech discussions
- Regular interactions/meetings
- Informal feedbacks

KEY STAKEHOLDER EXPECTATIONS

- Timely payouts
- Long-term partnerships
- Fairness
- Value creation

NGOs AND SOCIETY AT LARGE

OUR MODES OF ENGAGEMENT

- Continuous engagements
- Projects & funds monitoring
- Online communication

KEY STAKEHOLDER EXPECTATIONS

- Long-term commitments
- Inclusive growth

*GRI 102-40, 102-42, 102-43,102-44

MATERIALITY ASSESSMENT

Aligned to GRI reporting requirements, we have identified and mapped key material topics that have the potential to influence our value creation process and strategic business interests. For the materiality assessment, a thorough review of online available literature, industry benchmarking and discussion with select stakeholders was conducted. The material topics were reviewed and approved by the Board of Directors for sustainability reporting on August 7, 2021. This integrated annual report was reviewed by the Board of Directors on August 26, 2021.

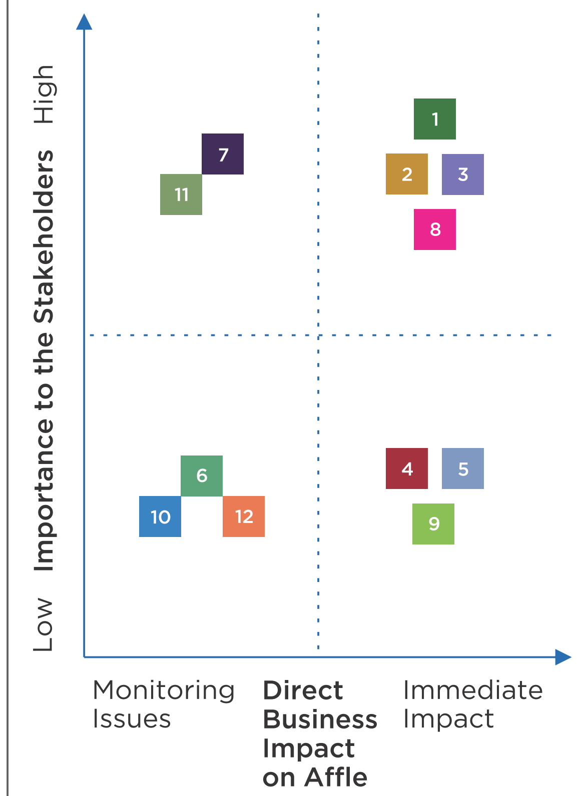
The Company being in mobile advertising technology business, is significantly less resource intensive in terms of environmental impact or related material inputs. However, as a responsible corporate entity, we have also identified Energy Management, Water Management, Waste Management, Paper and Plastics Optimization and Environmental Awareness Programs as the materiality topics. Affle commits to support ESG and all-round sustainability focused endeavours for the society at large.

MATERIALITY TOPICS IDENTIFIED AND MAPPED

Material	Description	Capitals Impacted	GRI standards	ESG Impact
Customers and Partners Satisfaction	Managing customers expectations, resolving issues and providing utmost satisfaction is vital to the business growth	Financial Capital, Social and Relationship Capital	418-1	Social
Data Security and Privacy	Ensuring the security of customers data is important. We also respect the consumers' privacy and align to the data privacy norms to the best of our capabilities	Manufactured Capital, Intellectual Capital, Social and Relationship Capital	418-1	Governance
Technology Innovation	Innovation is part of our organizational culture and future growth prospects are aligned to our capability to innovate and develop/ enhance newer tech offerings	Financial Capital, Manufactured Capital, Intellectual Capital	203-2	Social
Brand and Reputation Management	Any irrational loss to our brand and reputation mainly driven by unverified rumours can impact the business	Financial Capital, Social and Relationship Capital	102-15	Social
Employee Training and Upskilling	We operate in an automated environment and make use of the latest technologies. Our employees need to be trained and upskilled to remain ahead of the curve and drive sustainable growth	Manufactured Capital, Human Capital	404-2	Social
Employee Welfare and Well-being	It fosters a culture of happiness and directly impacts the confidence, development and health of the employees	Human Capital	402-1, 405-1, 406-1	Social
Transparency, Disclosures and Regulatory Compliance	We are a well-governed Company with SOPs, policies and regulatory frameworks in place to ensure a fair, ethical and sustainable operating environment	Financial Capital, Social and Relationship Capital	102-16, 102-33	Governance
Economic Performance and Financial Inclusion	We operate in high-growth markets and aim to create long-term value that drives inclusive growth for all our stakeholders	Financial Capital, Manufactured Capital, Social and Relationship Capital	201-1	Governance
Risk Management	We strive to be proactive in assessing our internal and external risk environment and mitigating it well-before it can cause any major downside impact	Financial Capital, Manufactured Capital	102-15	Governance
Board Diversity, Performance and Independence	We strongly focus on the diversity, performance and independence of the Board, which is crucial to steer the Company to greater heights. Our Board ensures that we are fully complaint with all the statutory requisites	Financial Capital	102 (18-20, 22, 24, 26-27, 29-36), 405-1	Governance
Stakeholders Relations	We engage with our stakeholders around the year and the formal/informal feedback that we receive, helps us in better shaping our procedures towards a more responsible business	Social and Relationship Capital	102 (40-44), 413-1	Social
Environmental Sustainability	We recognize the larger environmental risk our planet is facing. As part of our ESG strategy, we are committed to drive the efforts towards Energy Management, Water Management, Waste Management, Paper & Plastic Optimization and Environmental Awareness Programs	Natural Capital	302-1, 303-1, 306-1	Environment

Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Social and Relationship Capital | Natural Capital

MATERIALITY BOUNDARY MATRIX



1 Customers and Partners Satisfaction
2 Data Security and Privacy
3 Technology Innovation
4 Brand and Reputation Management
5 Employee Training and Upskilling
6 Employee Welfare and Well-being
7 Transparency, Disclosures & Regulatory Compliance
8 Economic Performance and Financial Inclusion
9 Risk Management
10 Board Diversity, Performance and Independence
11 Stakeholders Relations
12 Environmental Sustainability

*GRI 102-32, 102-46, 102-47

RISK MANAGEMENT

We take an integrated approach to risk management, where proactive assessment of risks and threats is at the core of our strategic agenda. We strive to achieve a balance between our goals of growth and the related risks. Our structured risk management framework helps us identify, assess the potential risks and effectively adopt the mitigation strategy.

RISK MANAGEMENT FRAMEWORK

Our risk management framework is based upon identification of the potential risks as critical or non-critical. Risk identified as non-critical continue to be monitored and the related internal control systems are managed accordingly. Risk identified as critical are subjected to risk treatment and mitigation strategy. The Risk Management Committee periodically reviews the risk management system and reports to the Board on the recommended actions, if any required.

IDENTIFIED RISK ENVIRONMENTS AND CAPITALS IMPACTED

We have identified Internal and External Risk Environment. Risks originating from these environments and those which have an influence on our materiality topics are discussed in detail along with mitigation strategies under the Management Discussion and Analysis section on pages 54, 55 and 56.

External Risk Environment	Capitals Impacted
Macro-economic Risk	Financial Capital, Manufactured Capital, Human Capital, Social and Relationship Capital
Industry-specific Risk	Financial Capital, Manufactured Capital, Intellectual Capital
Reputation Risk	Financial Capital, Social and Relationship Capital
Regulatory Risk	Financial Capital, Social and Relationship Capital
Environmental Sustainability	Natural Capital

Internal Risk Environment	Capitals Impacted
Financial Risk	Financial Capital, Manufactured Capital, Social and Relationship Capital
Operational Risk	Manufactured Capital, Human Capital, Social and Relationship Capital
Technology, Data and IT Risk	Manufactured Capital, Intellectual Capital, Social and Relationship Capital

Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Social and Relationship Capital | Natural Capital

*GRI 102-15, 102-30

COVID-19: RISK MITIGATION AND BUSINESS CONTINUITY RESPONSE

The COVID-19 pandemic has inflicted rising human costs and impacted the economies globally. This has accentuated the need to look over the horizon towards effective risk management and long-term sustainability.

Our differentiated business model, strategic decisions and tech investments made over the years, proved to be highly valuable during the COVID-19 times. The pandemic has created high growth market opportunities for Affle as the consumers adoption of mobile and digital priorities of organizations globally have tremendously accelerated. However, Affle not only continued to be operationally resilient through its comprehensive business continuity planning but continued to support its employees, communities and society at large.

Our disciplined approach coupled with enterprise-wide risk management and a robust business continuity plan enabled us to:

- Initiate safety action protocols across India and international offices
- Smooth transition to work-from-home
- Preserve the jobs of all Afflers
- No cuts in salaries or bonuses
- Maintain effectiveness of our tech systems and people globally
- Continued to connect with customers over virtual channels
- Immediately respond to changing industry and vertical-level dynamics
- Reach out to our local communities struggling with covid outbreak and the loss of livelihood due to the lockdown
- Grievance call centre set up for local communities and Whatsapp based support established
- Run a food relief programme
- Assistance to various Governments for covid analytics and projections

And much more...

*GRI 102-15

FINANCIAL CAPITAL

Unlocking Consistent Growth

Affle remains committed to deliver technology-led sustainable value creation for all our stakeholders. Our growth figures reflect the robust business fundamentals, prudent financial management and our strong focus on the risk management.

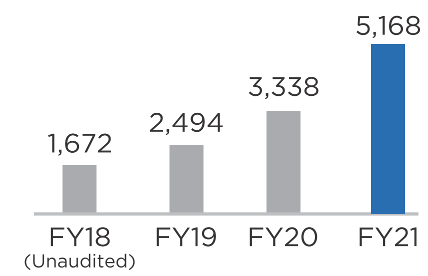
Our performance in financial capital has a significant impact across our other capitals as well as on our stakeholders.

MATERIAL TOPICS INTERLINKED

- Customers and Partners Satisfaction
- Technology Innovation
- Brand and Reputation Management
- Transparency, Disclosures and Regulatory Compliance
- Economic Performance and Financial Inclusion
- Risk Management
- Board Diversity, Performance and Independence

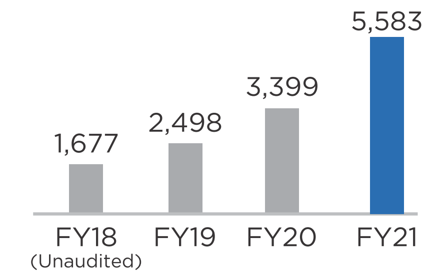
UN SDGs SUPPORTED

Revenue from Operations (Rs. MN)



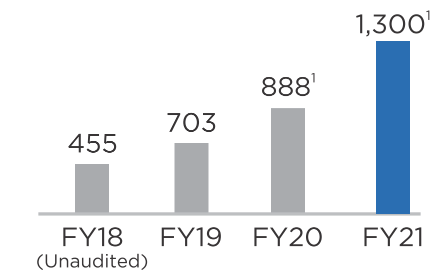
45.7% CAGR

Total Revenue (Rs. MN)



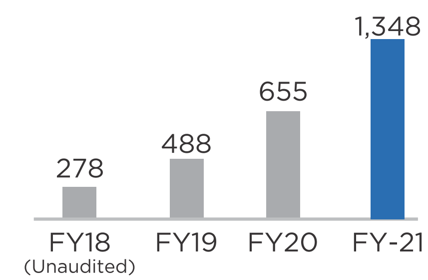
49.3% CAGR

EBITDA (Rs. MN)



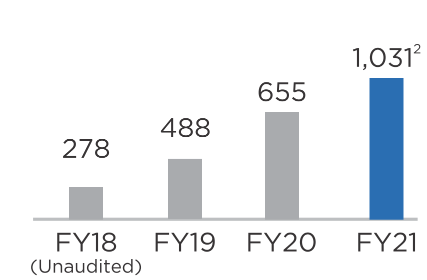
41.9% CAGR

Profit After Tax (Rs. MN)



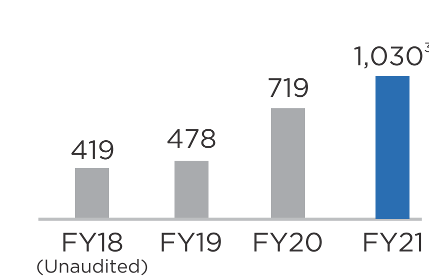
69.2% CAGR

Normalized PAT (Rs. MN)



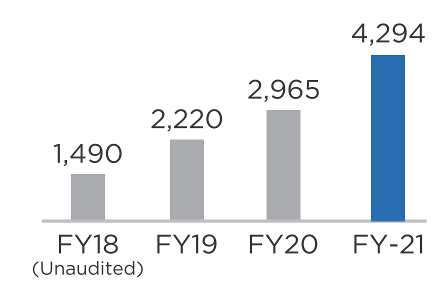
54.7% CAGR

Operating Cash Flows (Rs. MN)



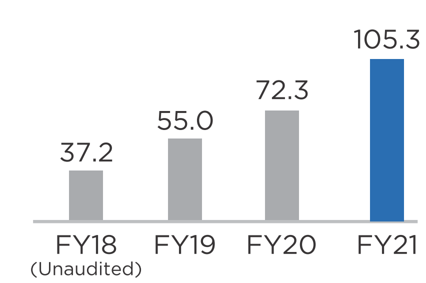
35.0% CAGR

CPCU Revenue (Rs. MN)



42.3% CAGR

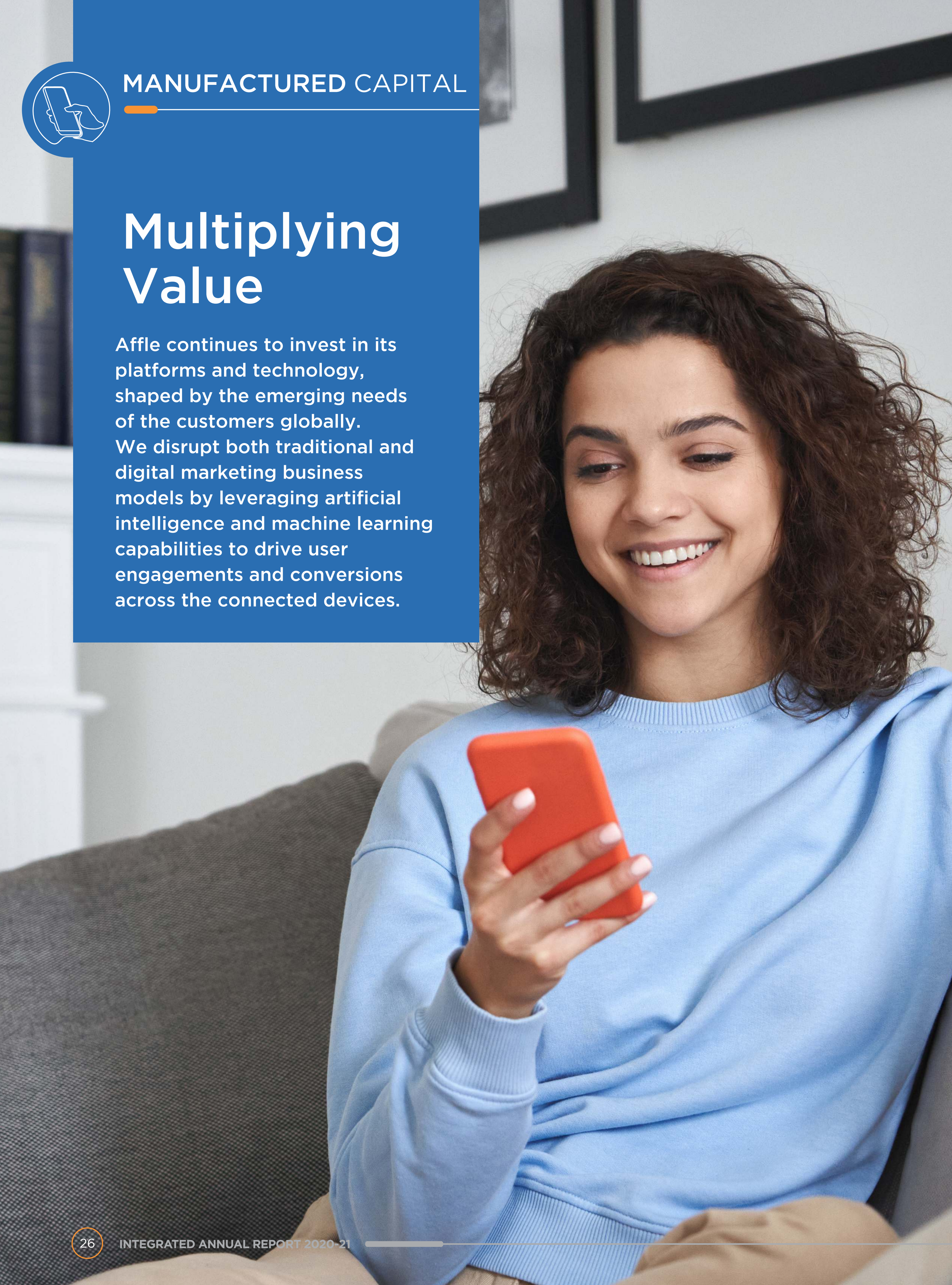
Converted Users (MN)



41.5% CAGR

Note: 1. Adjusted for creditors written back amounting to Rs. 9.37 million in FY2019-20 and Rs. 3.42 million in FY2020-21.
2. FY2020-21 PAT (Net of Non-controlling Interest) normalized for Exceptional Items (net of tax)
3. Operating Cash flows adjusted for Deferred Tax Liability on account of Goodwill of Rs. 14.18 million (one-time expense)
*Data is rounded off to the nearest absolute numbers/decimal point. CAGR is computed on the reported numbers.

*GRI 201-1



MANUFACTURED CAPITAL

Multiplying Value

Affle continues to invest in its platforms and technology, shaped by the emerging needs of the customers globally. We disrupt both traditional and digital marketing business models by leveraging artificial intelligence and machine learning capabilities to drive user engagements and conversions across the connected devices.

MATERIAL TOPICS INTERLINKED

- Data Security and Privacy
- Technology Innovation
- Employee Training and Upskilling
- Economic Performance and Financial Inclusion
- Risk Management

UN SDGs SUPPORTED

Key Product and Platform Developments

1. **Launch of Connected TV (CTV) Proposition**

   Affle's Connected TV proposition focused on video ads based cohesive experience for brands was launched in October 2020. Our advanced CTV solution empowers brands to take advantage of all the benefits of mobile programmatic advertising on big screens and at scale. It enables them to engage with relevant consumers across the connected devices and measure results with real-time insights.

2. **Launch of Appnext Out-of-Box Experience (OOBE)**

   Appnext OOBE leverages Affle's pre-existing innovation and technology for silent/dynamic app installs at the initial boot or reset of a device to enable dynamic app discovery wizard through its integrations with mobile OEMs, operators and publisher partners. Appnext OOBE provides a major consumer touchpoint in the mobile device lifecycle enabling an integrated vernacular on-device consumer experience for the advertisers.

   Affle's Appnext Platform is an app discovery and recommendation platform that drives on-device personalized app recommendations to mobile users globally.

3. **Strategic In-roads to New Markets**

   We expanded our local on-ground presence in some of the key international markets to augment our growth in the long-run.

Verticalized Focus

Last one year was a landmark as we strongly focused on our top industry verticals which are high-growth, Covid-19 resilient and driven by the accelerated consumer adoption of digital. We continued to create strategic value for our customers through our deep verticalized focus, accelerating their digital transformational journeys and consolidating our market position across global emerging markets.

Our top high growth industry verticals across Categories E I F I G I H contributed over 90% revenue in FY2020-21

CATEGORY E

- E-commerce
- Entertainment
- EdTech

CATEGORY F

- Fintech
- Foodtech
- FMCG

CATEGORY G

- Gaming
- Groceries
- Government

CATEGORY H

- Healthtech

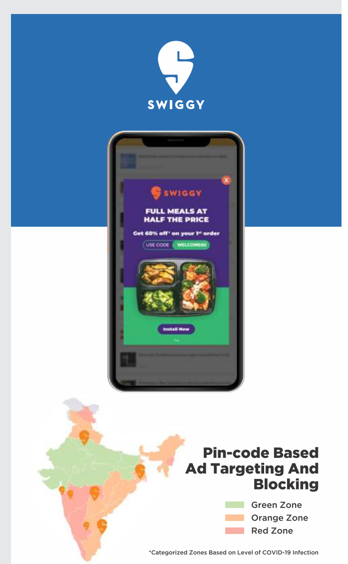
Business Case Study | **Swiggy | Driving business growth in India**

About the Advertiser
Swiggy is India's leading online food ordering & delivery platform

Objective
Drive business growth through acquisition of high-quality new users having higher propensity of ordering

Affle Consumer Platform Solutions
Affle's Consumer platforms helped Swiggy with its three-pronged approach

- **Audience intelligence & Predictive modelling** to reach high potential users
- **Creative optimization** to deliver hyper personalised ads to maximise impact
- **Daypart and Location led targeting** to drive Incremental conversions



Results
- 177% Increase in shopping conversions from new users
- 3.2X Scale in post install orders
- Greater ROI realization by driving higher conversions

Note:
1) It is based on First Party data consented and shared by the advertiser/agency together with Affle's platform data. These have been created for entries in industry award shows;
2) Campaign Period: Jan '20 to Jul '21;
3) The ads and/or platform modules/screenshots shown here are for illustrative purpose only

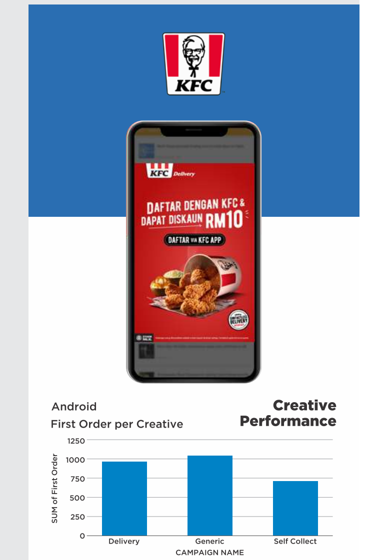
Business Case Study | **KFC | Boosting at home orders in Malaysia**

About the Advertiser
KFC is a global leader in the quick service restaurant business

Objective
In the pandemic era in Malaysia, Ramadan celebrations were to be at home vs. in-restaurant this year. The key objective for KFC was to grow at home orders by acquiring high-intent new users to boost first purchase rates

Affle Consumer Platform Solutions
Affle's consumer platform helped KFC achieve its goals with its unified platform approach to

- **Find high affinity users** by leveraging Affle's mDMP with its lookalike audience modelling algorithms
- **Location intelligence** added to prioritise ads in important locations
- **Custom dashboards** to track and optimise for incremental conversions



Results
- 8% Increase in the first order rates
- Successfully enabled online orders through 700+ offline stores
- Greater ROI realization by maximizing new orders

Note:
1) It is based on First Party data consented and shared by the advertiser/agency together with Affle's platform data. These have been created for entries in industry award shows;
2) Campaign Period: Apr-Jun'21;
3) The ads and/or platform modules/screenshots shown here are for illustrative purpose only

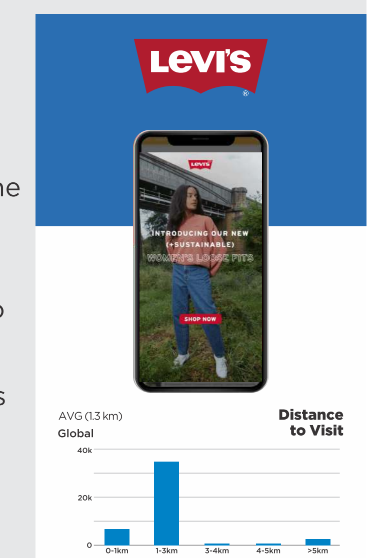
Business Case Study | **Levi's | Growing offline conversions in Indonesia**

About the Advertiser
Levi Strauss & Co. is leading global fashion brand

Objective
With offline retail starting to open out after lockdowns, Levi's wanted to drive more shoppers to it's select mall outlets in Indonesia and also track the incremental impact of such advertising

Affle Consumer Platform Solutions
Affle's consumer platform helped Levi's achieve its goals with its solution to

- **Find high affinity users** by leveraging Affle's mDMP
- **Location targeting** to advertise to people within driving distance to stores
- **Proprietary algorithms** to help track footfalls and maximise Incremental visits to stores & uplift



Results
- 46% Incremental visits to Levi's stores
- 2.83X Uplift for ad exposed users
- Significant growth in Attributed visits/ Conversions to physical store

Note:
1) It is based on First Party data consented and shared by the advertiser/agency together with Affle's platform data. These have been created for entries in industry award shows; 2) Campaign Period: Jan-Feb '21; 3) The ads and/or platform modules/screenshots shown here are for illustrative purpose only

*GRI 203-2
*GRI 203-2

INTELLECTUAL CAPITAL

Technology and Innovation Powered Growth

Our manufactured and intellectual capitals are deeply integrated. Our innovation endeavours are focused on building customer-centric technologies that have the global appeal.

MATERIAL TOPICS INTERLINKED

Data Security and Privacy

Technology Innovation

UN SDGs SUPPORTED

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Strong R&D Focus Backed by a Robust Patent Portfolio

Strong R&D capabilities and a quest to innovate has been at the core of our business. We continue to fortify our efforts in expanding the breadth of our IP assets that deliver real-time optimized results across the entire ad tech value chain. Affle has built for itself a robust patent portfolio with 19 patents filed across India, US and Singapore patent offices. These patents help fortify AI-driven intelligence and automation for consumer acceptable conversion-driven advertising.

In FY2020-21, we further strengthened our R&D capabilities both organically and inorganically. Affle MEA FZ-LLC completed the acquisition of 100% tech assets of Appnext Limited and business assets of Discover Tech Limited on June 30, 2020 and Feb 17, 2021 respectively. The filed patent of Appnext Limited was also transferred to Affle MEA FZ-LLC.

Patents

3	9	1	1	5
Patents registered in US related to 'Consumer Acceptable Advertising/ Digital Advertising'	Patents filed in US & India for 'Digital Ad Fraud Detection'	Patent filed in US related to 'Retargeting Business'	Patent filed in US related to 'predictive modelling of mobile users behaviour' and powers the on-device app recommendations	Patents filed in US, India and/or Singapore related to futuristic tech use cases

Note: Patent details are as of July 31, 2021

SG Digital (SG:D) Accredited Based Credibility

During the year, our platforms were accredited under the Accreditation@SG Digital programme for the 3rd consecutive time by the Infocomm Media Development Authority of Singapore (IMDA). This was a result of stringent evaluation on various aspects of the Company, fortifying Affle's credentials of following the highest standards in product development, business practices, data security, sustainability, and scalability.

SG:D ACCREDITED Singapore Government Organization

Proactive Approach to Data Privacy

We, at Affle, lay strong emphasis on users privacy and data protection. Affle strives to ensure that both privacy and security through every phase of the data lifecycle such as collection, use, retention, storage, disposal or destruction is critically managed. One of our earliest patents filed and now granted in the US Patent Office was on 'Consumer Acceptable Advertising' and includes emphasis on consumer content and/or privacy. We process only the appographic, behavioural and intent signals with no access to any personal and financial user information. No regulatory complaint concerning breach of customer data privacy or loss of customer data was received by the Company.

*GRI 203-2, 418-1

HUMAN CAPITAL

Healthy Culture. Collective Growth.

Affle is committed to nurturing a healthy environment that drives innovation, thought leadership and collective growth. With this objective in place, we have a comprehensive strategy which addresses all key aspects of the human resource and promotes inclusive development.

MATERIAL TOPICS INTERLINKED

- Employee Training and Upskilling
- Employee Welfare and Well-being

UN SDGs SUPPORTED

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

Recognised as a Great Place to Work

Affle has been recognized as a "Great Place to Work" by the Great Place to Work Institute, a well established global authority on identifying and authenticating workplace culture and practices. This recognition is a result of an extensive evaluation done by the Great Place to Work Institute by surveying members of the organization and through a detailed culture audit covering various parameters.

Great Place To Work® Certified 2021 INDIA™

88
Trust Index Score

Fair Business Practices

During FY2020-21, no complaint related to discrimination, harassment, corruption, bribery or employee fraud was received by the Company. We are highly conscious of how the stakeholders perceive our culture and engage with the Company. We continue to demonstrate high standards of ethics to safeguard any irrational damage to our brand and reputation. 100% of our full-time employees have a written employment agreement with the Company with the applicable notice period covered therein. The Company has no trade unions and hence collective bargaining agreements are not applicable.

Equality, Diversity and Inclusion

Our employees come from diverse cultural, educational and socio-economic backgrounds that helps foster collaboration, learning and mutual respect. Affle is an equal opportunity employer with no bias towards gender, religion, creed, caste, sexual orientation or region. Our remuneration policy is gender neutral. Our culture, beliefs and policies aim to encourage an inclusive workplace where everyone from the diverse mix feels valued, respected, treated fairly and empowered.

Affle follows gender inclusive policies to support women and men employees in different phases of their careers. With its 'We Care for You' Policy, Afflers can avail half day: half pay and choose to work for half day after maternity/ paternity leaves. It helps them to maintain the work-life balance as they continue their professional aspirations while managing their little ones at home.

As at March 31, 2021, our total employee count (including contractual and consultant employees) on a consolidated basis was 385.

*GRI 102-41, 402-1, 406-1

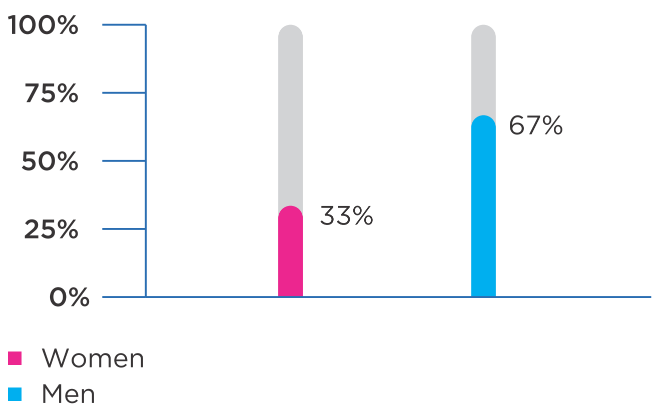
Functional Diversity

Number of Employees Across Functions[1]

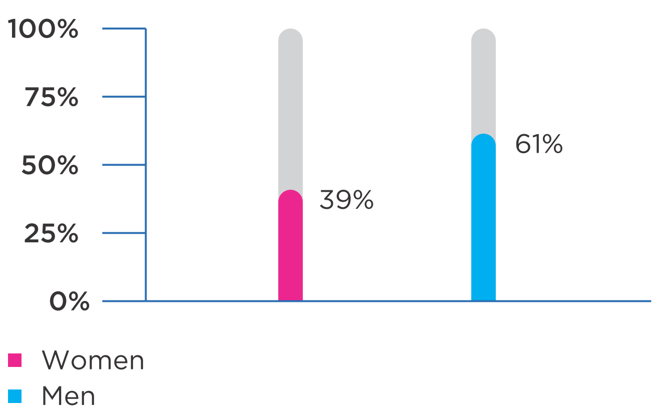
Business Functions	Count of Employee
Research and Development	147
Data Platforms and Operations	80
Management	13
Sales and Marketing	105
General Administration	40
Total	**385**

Equality and Diversity

Ratio of Women Employees[1]



Ratio of Women in Middle and Senior Management vs. Men in similar position[1]



As part of our organizational culture, we do not segregate employees by their age and hence no employee disclosures are applicable related to the age groups.

As of March 31, 2021, we had 1 part-time employee which is not included in the total employee count of 385.

Note: 1. Employee data as of March 31, 2021

Employee Training and Upskilling

Affle strongly focuses on talent development for tomorrow and continues to upskill and reskill all its employees through structured training programs called Learning@Affle, Waffle - Webinars@affle, Tech Offsites and various internal competitive events named Salekathon, Afflathon, and more.

Employees Received Training in FY2020-21: 90%+ Afflers received at least 1 training program

Onboarding Process

A newly onboarded Affler goes through a structured familiarization process which provides them a seamless experience to understand the Mission, Purpose, internal processes, policies, role clarity, team structure and quickly integrate into the organizational culture.

Continuous Learning

Learning@Affle is our digital learning platform with a choice of over 200 courses. We launched this in the Jan 2021 to promote the learning and development. We believe that it has become the first source of knowledge due to its easy accessibility and wide range of topics. We have curated several courses across different skills and focus areas. These courses reflect the current mindset and mood, covering topics which are relevant and easy to implement at work.

Affle also promotes individual skills mapping where feedback from Business Unit Heads is taken to design the learning initiatives for each of the respective teams/individuals as per the role, project needs, business strategy and career aspirations.

Our Training Focus Areas

- **Technical**
- **Behavioural**
- **Functional**
- **Business**
- **Psychological**
- **Prevention of Sexual Harassment (POSH)**

Case Study: Afflathon – Tech Event

Agenda: Brainstorm on innovative business and technology ideas

Qualitative details: Each Affle Fun League house was to form 5 teams with 3-8 members in each. It was mandatory for the teams to have 1 functional, 1 technical and 1 business member. Each team was given a timeline to brainstorm on a business idea and work on the possibility of its implementation. It was a global virtual event open to all Afflers. All the groups presented their ideas in front of the selection panel. Every Affler participating in the event, received a certificate of participation and winners received a Digital Badge along with the prizes.

AFL - Affle Fun League

Covid-19 pandemic made it necessary to connect the Afflers beyond the regular work calls & webinars. To augment our entrepreneurial culture and to promote team collaboration, competitiveness and thought leadership, AFL was started as part of Affle2.0 growth journey. AFL divided all Afflers in 4 clubs, for every aspect of their skill and talent to be gamified. Key objective of AFL is to make all our employees feel recognized and engrossed in the company's culture while ensuring the happiness index of the employees is maintained.

Affle2.0 Culture is defined by: Commit, Collaborate, Compete, Celebrate.

Employee Well-being and Welfare

Recent Covid-19 Initiatives

- Affle formed an internal assistance channel to extend medical information to the employees on a real-time basis
- Work-from-Home reimbursements provided to the employees as a one-time benefit to facilitate a seamless transition
- Advance salary options rolled out for Covid impacted employees during April-June, 2021
- Formulated new categories of leaves – 1. **Compassionate Leaves** and 2. **Bereavement Leaves**. These leaves facilitated the time-off required by the Covid affected employees without any impact on their salary
- Established an internal Covid Response Team for continuous employees assistance
- Conducted 'Covid Care Guidance' session to apprise the Afflers on a 5 point agenda (A-E-I-O-U). This prepared the employees to be Alert, Enable Right Questioning to the Doctors, Informed, Orient for upcoming challenges and Understand the symptoms

Other Key Initiatives

We recently launched Affle Care program for all the Afflers and their families. It is a holistic counselling program to support the emotional, practical, and physical well-being available 24x7 and completely free of cost.

Employee Rewards and Recognition

Afflers are encouraged to innovate, excel and are rewarded with programs like 'Monthly Excellence Awards' based on open nominations; 'Tenure Awards' based on consistent contributions and awards like 'Affies' for excellence in business. To build a culture of innovation, Afflers are also encouraged to win acknowledgements for new product ideas and patent applications pursued by the company.

*GRI 102-8, 404-2, 405-1

*GRI 404-2

SOCIAL, RELATIONSHIP AND NATURAL CAPITAL

Shared Value Towards a Better Tomorrow

We strongly emphasize on corporate governance and work collaboratively with our stakeholders. We are also conscious of social and environmental sustainability towards a better tomorrow.

Given the nature of our technology-focused business, we have a limited impact on the environment. Our environmental sustainability initiatives are largely proactive and collaborative. Hence, we see our Natural Capital as mutually inclusive to our Social and Relationship Capital.

MATERIAL TOPICS INTERLINKED

- Customers and Partners Satisfaction
- Data Security and Privacy
- Brand and Reputation Management
- Transparency, Disclosures and Regulatory Compliance
- Economic Performance and Financial Inclusion
- Stakeholders Relations
- Environmental Sustainability

UN SDGs SUPPORTED BY SOCIAL AND RELATIONSHIP CAPITAL

3 Good Health and Well-Being; 4 Quality Education; 5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities; 16 Peace, Justice and Strong Institutions

UN SDGs SUPPORTED BY NATURAL CAPITAL

6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 12 Responsible Consumption and Production

Stakeholders Management Approach

- Piloting a differentiated ROI-driven customer experience
- Nurturing product/platform innovation and next-gen technology development
- Optimizing channels and processes to maximize engagement, both internally and externally
- Focus on transparency, effective governance and open communication for a sustainable and responsible growth

We emphasize corporate governance and controls as part of our collaboration with our stakeholders to ensure fairness, integrity, mutual respect and keeping sustainability at the heart of our business. Our activities are conducted within the framework of Standard Operating procedures (SOPs), Corporate Policies and Regulatory Compliances.

Protect the Vulnerable Stakeholders

As part of our commitment towards inclusion, Affle plans to initiate a formal summative assessment practice in the coming years. Its role will be to identify the marginalized and vulnerable people across our most actively engaged stakeholder groups and accordingly outline the risk mitigation strategy for them.

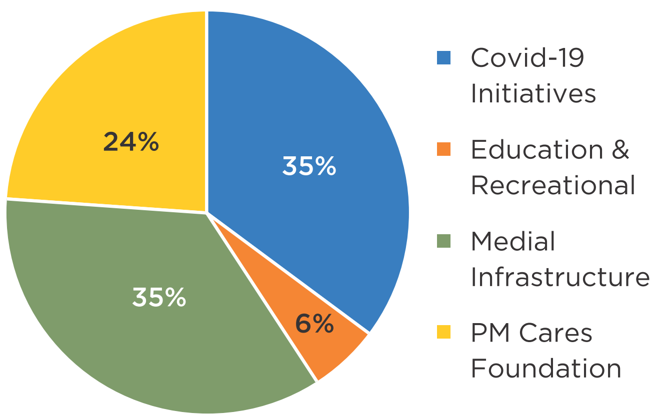
*GRI 405-1, 413-1

Community Initiatives

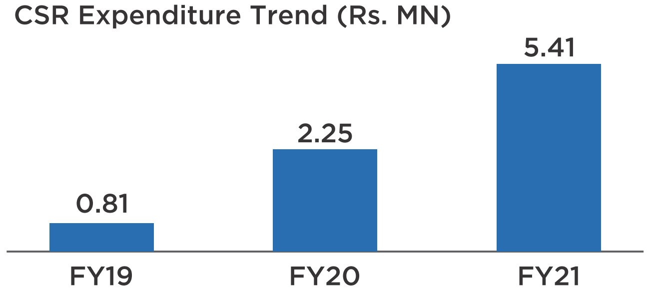
We are committed to fostering a culture of 'Shared Value' and drive a sustainable change to the people around us. Affle's CSR initiatives are rolled out directly or in partnership with non-profit organizations. This helps in increasing reach as well as ensuring better adoption of initiatives by the local communities.

Affle has identified Education, Skill Development, Healthcare and Environment as the support areas. Our CSR initiatives are also aligned with global goals and focused on creating long term positive impact for the society at large.

CSR Expenditure Split during FY2020-21



CSR Expenditure Trend (Rs. MN)



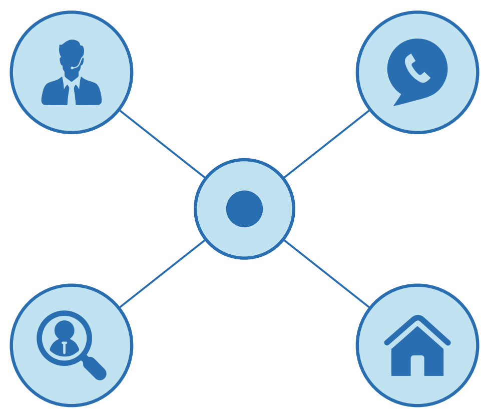
Rising for Good: Covid-19 Support

Our initiatives were directed towards the communities struggling with COVID outbreak and loss of livelihood due to the lockdown.

1. **During lockdown (April 2020 - June 2020) -** Affle through its NGO partner, onboarded a team member to reach out to the communities struggling with COVID outbreak. We identified their challenges and resolved them remotely. We also identified people in critical need of food/essential items and ensured delivery of the same through our on-ground partners. In total, we were able to support about **500** households.
2. **Post lockdown (July 2020 - March 2021) -** The call centre was setup through NGO partner, to call up people and understand the grievances. We were also able to resolve challenges through our WhatsApp chatbot interactions and incoming helpline facility. In total, we were able to address **500** households.
3. **During the second wave (April 2021 to June 2021) –** Given the success achieved earlier, we supported 1,000 low-income households through calls and WhatsApp-based support.

Virtual Call centre set up for understanding challenges in the community

Deployed a unique WhatsApp chatbot to provide parents with info about engaging children



Callers hired for a community-led call centre

500 families supported

Additionally, ration distribution ensuring meals on field

Education and Recreational

Our initiatives were directed towards addressing Gap in the education system. Through our NGO partner, we could support education of 19 kids along with their tuition fee, uniforms and books in English-medium schools. These kids were from the slums areas.

*GRI 102-12, 201-1, 413-1

Case Study

Reeta ji (name changed) stays in West Delhi. Her husband worked as a daily wager in a vegetable market but, like many others, lost his job in the lockdown. She had a family of 4. Reeta ji had been taking credit from the nearby ration shop to ensure availability of food. However, after a few days the shopkeeper refused further credit. Our team reached her out to understand if she needed any support. She asked for ration. She could not read or write. Her son who was studying in Govt. school came forward. He wrote down our phone number and shared his address. We then worked with our partners to ensure that the ration is delivered and the family well-fed.

Medical Infrastructure

Affle supported the purchase of a Trivitron High-End Whole Body Dexa Scanner equipment, which is an accurate, high-definition bone densitometer. This equipment improves fracture detection and quickly captures hip and spine images. It was meant for use in a newly established 250-bedded hospital in Gujarat.

Environment

Our operations seek to create a positive environmental impact as we plan to further enhance our resource utilization efficiency. Our employees were working from home during the year under review and as such there was no direct use of office resources like electricity, water, paper and negligible waste generated. We will begin to track the energy, water and waste related data indicators once we move to work physically from our offices. As a forward action plan, we intend to undertake the following:

1. Support a precautionary approach to environmental challenges and work towards Energy Management in our offices. This will include but not limited to optimum usage of air conditioners, LED/LCD monitors, identification of non-peak working hours, energy-saver lights & electronic items.
2. Engage with subject matter experts and draft a plan for Water Saving and Waste Management initiatives.
3. Conducting tree plantation drives around our offices.
4. Conducting awareness sessions to encourage reduction in paper, plastic usage and increase the use of biodegradable material.

*GRI 302-1, 303-1, 306-1, 102-12

ESG@AFFLE

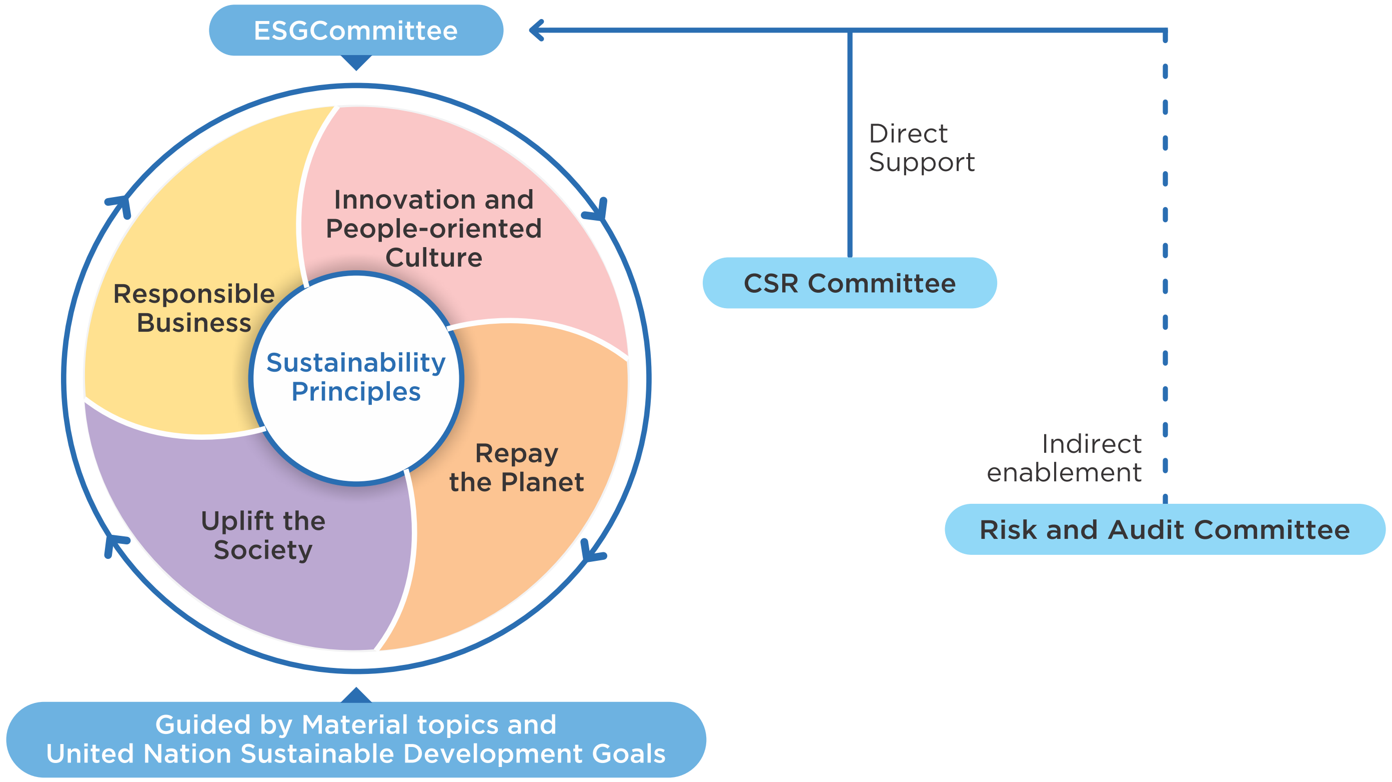
Being Intelligent. Being Sustainable.

Guided by our organizational mission and purpose, we aim to achieve innovative, intelligent and sustainable outcomes for the stakeholders and communities we serve. We resolve to accelerate the evolution of ESG to make a positive impact on people and the planet.

While this is our first attempt to formalize disclosure of our sustainability efforts into this report, we believe our long history of conducting business with utmost integrity and driving economic inclusion for all our stakeholders, is clearly visible into the DNA of the organization.

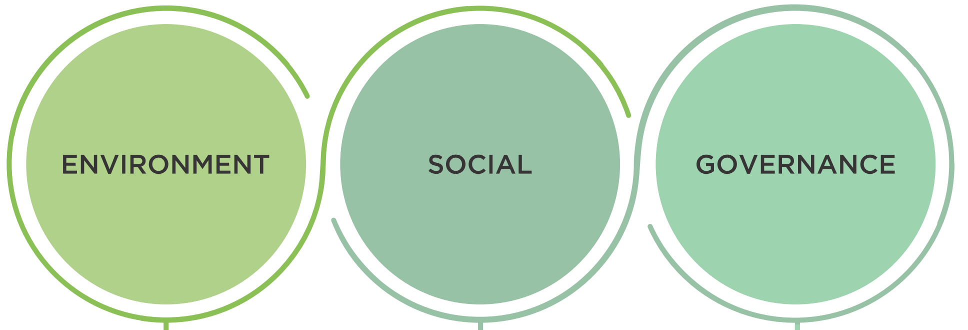
To keep increasing Affle's positive impact towards a better tomorrow, we formalized our Business Responsibility Reporting Committee into the ESG Committee on August 7, 2021. The primary role of the ESG Committee will be to integrate sustainability considerations across our business processes, corporate decisions and strategic goals.

ESG Policy Framework



ESG Core Focus Areas

Stewardship And Active Ownership



ENVIRONMENT	SOCIAL	GOVERNANCE
Energy Management	Equality, Diversity and Inclusion	Business Ethics, Data Security and Privacy
Water Management	Education, Learning and Development	Board Diversity, Performance and Independence
Waste Management	Innovation – Tech/ Products/Work-place	Corporate Governance, Reporting and Compliances
Paper and Plastic Usage	Transparency and Stakeholders Satisfaction	Internal Control Systems and Risk Management
Awareness Programs	Health and Well-being	Business Continuity Planning

*GRI- 102-20

*GRI - 102-19, 102-20, 102-29, 302-1, 303-1, 306-1

BOARD OF DIRECTORS AND GLOBAL ADVISORS

Leading with experience and foresight

Anuj Khanna Sohum

Chairman,
Managing Director &
Chief Executive Officer

Anuj Kumar

Executive Director

Mei Theng Leong

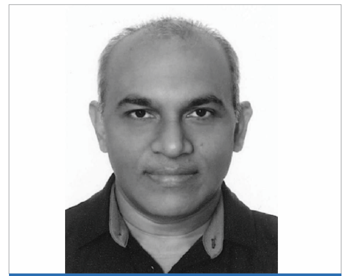
Non-Executive Director

Sumit Mamak Chadha

Non-Executive
Independent Director

Vivek Narayan Gour

Non-Executive
Independent Director



Bijynath

Non-Executive
Independent Director

Richard Humphreys

Advisor

Jay Snyder

Advisor

Gender diversity of the Board of Directors: Women 33%; Men 67%

Time spent by the Independent Directors cumulatively in Familiarization Programmes during FY2021: 7.9 Hours

Details regarding functioning of the Board of Directors and the Board Committees is available under Corporate Governance section beginning on page 79. Corporate Governance policies are available under investor relations section on the website of the Company and can be directly accessed at https://affle.com/corporate-governance.

*GRI 102-18, 102-27, 405-1

MANAGEMENT TEAM

Entrepreneurial and committed leadership team executing the Company's strategic vision

ANUJ KHANNA SOHUM
Chairman, Managing Director
& Chief Executive Officer

ANUJ KUMAR
Chief Revenue
& Operating Officer

ANA TORRONTEGUI
Chief Operating Officer
(Jampp)

CHARLES YONG JIEN FOONG
Chief Architect
& Technology Officer

DIEGO MELLER
Co-Founder and Co-CEO
(Jampp)

ELAD NATANSON
Chief Executive Officer
(Appnext)

ERAN KARITI
Chief Technology Officer
(Appnext)

GUILLERMO FERNANDEZ SANZ
Chief Technology Officer
(Mediasmart)

KAPIL MOHAN BHUTANI
Chief Financial
& Operations Officer

MADAN SANGLIKAR
Chief of Staff
& Head Agency Relations

MARTIN ANAZCO
Co-Founder and Co-CEO
(Jampp)

MARTJE ABELDT
Chief Revenue Officer
(RevX)

NOELIA AMOEDO
Chief Executive Officer
(Mediasmart)

SUJOY GOLAN
Chief of Marketing
& Omnichannel Platforms

VIPUL KEDIA
Chief Data
& Platforms Officer

VIRAJ SINH
Managing Partner - International

Note: The acquisition of Jampp was completed on July 1, 2021 and Jampp employees are not included in the total employee count of 385 (As of March 31, 2021), disclosed in the prior sections.

Whistle Blower Policy: The Company has a vigil mechanism and Whistle Blower Policy under which employees are free to report fraudulent practices, corruption and breaches of Code of Conduct. During the year under review, no complaint under the whistle blower mechanism was received by the Company.

Anti-Bribery and Corruption: Affle has zero tolerance towards any forms of bribery or corruption. All stakeholders are required at all times to act honestly and with integrity.

*GRI 102-33, 102-34

AWARDS AND RECOGNITION

SPECIAL AWARDS

Recognized as the
'Enabling Technology Company of the Year'
at MMA (Mobile Marketing Association)
Smarties Awards India, 2021

Affle platforms recognised as
Top Performers with 51 Recognitions
in the latest Appsflyer Performance Index
across multiple categories and Geographies

GOLD AWARDS

Won 3 Gold for **'Best Omni-Channel Campaign Management', 'Best Data-Driven Strategy'** and **'Best Native Advertising'** for Games24X7 at IAMAI - India Digital Awards, 2021

Won Gold for **'Best Use of Mobile To Drive Sales'** for Games 24x7 at MMA Smarties Awards India, 2020

Won Gold for **'Best Use of Mobile – Beauty'** for Zivame at The Maddies, 2020

SILVER AWARDS

Won 3 Silver for **'Best Lead Generation', 'Best Omni-channel Campaign Management'** and **'Best Native Advertising'** for Zivame at IAMAI - India Digital Awards, 2021

Won Silver for **'Best Use of Mobile To Drive Sales'** for Royal Enfield at MMA Smarties Awards Indonesia, 2020

Won 5 Silver for innovative mobile advertising for top brands at MMA Smarties Awards India, 2020

Won 8 Silver for innovative mobile advertising for top brands at The Maddies, 2020

BRONZE AWARDS

Won Bronze for **'Best Execution of Performance Campaign'** for Zivame at IAMAI - India Digital Awards, 2021

Won 2 Bronze for **'Innovation & Product Launches'** at MMA Smarties Awards India, 2020

Won 4 Bronze for mobile advertising for top brands at The Maddies, 2020

CORPORATE INFORMATION

COMMITTEES OF THE BOARD

- Audit Committee
- Corporate Social Responsibility Committee
- ESG Committee[1]
- Fund Raising Committee
- Investment Committee - International Investment
- Investment Committee - Domestic Investment
- Nomination and Remuneration Committee
- Risk Management Committee
- Stakeholders Relationship Committee

CHIEF FINANCIAL OFFICER
Mr. Kapil Mohan Bhutani

COMPANY SECRETARY
Ms. Parmita Choudhury

STATUTORY AUDITORS
S.R. Batliboi & Associates LLP

INTERNAL AUDITORS
Grant Thornton Bharat LLP

SECRETARIAL AUDITORS
Kiran Sharma & Co., Company Secretaries

BANKERS
Axis Bank Limited
HDFC Bank Limited

PUBLIC LISTING
Date of Listing: August 8, 2019
BSE Limited (Scrip Code: 542752)
National Stock Exchange of India Limited
(Symbol: AFFLE)

REGISTRAR & TRANSFER AGENT
KFin Technologies Private Limited
Karvy Selenium, Tower B,
6th Floor, Plot 31-32, Gachibowli,
Financial District Nanakramguda,
Hyderabad - 500 032
Email: einward.ris@kfintech.com
Website: www.kfintech.com

COMPANY INFORMATION
Affle (India) Limited
CIN: L65990MH1994PLC080451

Membership of Associations
Mobile Marketing Association (MMA)
Internet and Mobile Association of India (IAMAI)

Corporate Office
P 659, 6th floor,
Tower C,
JMD Megapolis,
Sohna Road, Sector - 48,
Gurugram - 122018,
Haryana

Registered Office
102, Wellington Business Park-I,
Off Andheri Kurla Road,
Marol, Andheri (East),
Mumbai – 400059, Maharashtra
Email: compliance@affle.com
Website: www.affle.com

Note: 1. Business Responsibility Reporting Committee was formalized into the ESG Committee on August 7, 2021

*GRI- 102-5, 102-13, 102-18

MANAGEMENT DISCUSSION AND ANALYSIS

MACRO-ECONOMIC SCENARIO

Following the economic turmoil in 2020 induced by the Covid-19 pandemic, the global economy is experiencing an exceptionally strong but uneven recovery. While advanced economies are rebounding, much remains to be done to reverse the pandemic's staggering human and economic costs. Moreover, the recovery is not assured. The possibility remains that additional COVID-19 waves, vaccination delays, or rising inflationary pressures may deliver setbacks.

As per IMF, global growth is expected to reach 6.0% in 2021 and 4.9% in 2022 while World Bank projects the growth at 5.6% in 2021. This will be the strongest post-recession pace in 80 years, in part underpinned by steady but highly unequal vaccine access. By 2022, global output will remain about 2% below pre-pandemic projections. Amid continued vaccination, economic activity is firming across major advanced economies, most notably in the United States where the recovery is being powered by substantial fiscal support.

As per IMF, inflation is expected to return to its pre-pandemic range across most countries in 2022. First-quarter GDP of 2021 surprised on the upside, notably in Asia and Latin America, while renewed lockdown in Europe had some downside. In second-quarter of 2021, data indicated the recovery is widening beyond manufacturing to services, especially in economies where infections are under control.

IMF projects advanced economies to grow at 5.6% in 2021 and 4.4% in 2022 while the 'Emerging markets and Developing Economies' (EMDEs) are projected to grow at 6.3% in 2021 and 5.2% in 2022. Emerging and Developing Asia, comprising of China, India, Indonesia, Malaysia, Philippines, Thailand and Vietnam are projected to grow at 7.5% in 2021 and 6.4% in 2022.

Indian economy in particular is projected to sharply recover in 2021 with IMF projecting a growth of 9.5% in 2021 vs. a contraction of -7.3% faced in the previous year.

Source: IMF's World Economic Outlook Update, July 2021; World Bank Group Report on Global Economic Prospects, June 2021

INDUSTRY STRUCTURE, DEVELOPMENTS AND OPPORTUNITIES

Digital Economy

> As per World Economic Forum (WEF), by 2022, 60% of the global GDP will be digitized.

FY2020-21 highlights the unique positioning of new-age technology companies like Affle. Despite the macro-economic headwinds last year, digital adoption continued to evolve at tremendous speed. In 2020, internet users represented more than 50% of the global population, with mobile phones being the primary mode of access especially in emerging markets. With upgrades to the cellular infrastructure, proliferation of smartphones and the availability of several content options, there has been a steady growth in consumers using the Internet.

While China and India rank lower in internet penetration than many other countries in the world, they have the largest internet user base followed by the United States. South-East Asia is another fast-growing internet market with over 55% penetration in 2020.

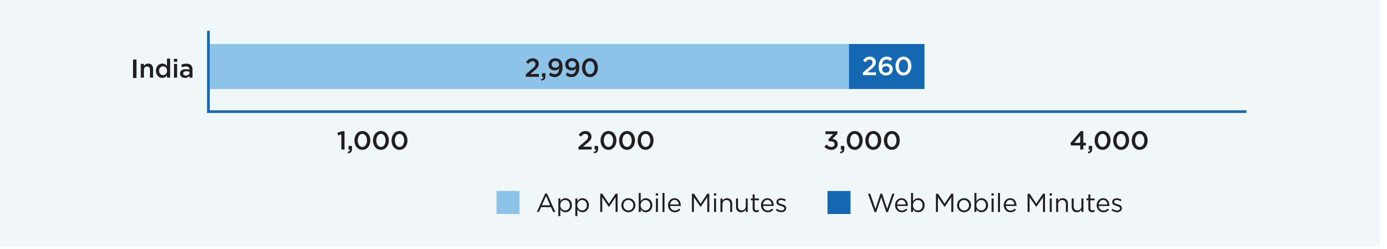
Improved Connectivity and Increasing Smartphone Penetration:

Lower data prices and the availability of almost unlimited content for entertainment, multimedia, information and business applications has led to a massive increase in internet usage, leading to significant growth in mobile data traffic.

According to the 2020 Ericsson Mobility Report, worldwide mobile data traffic per month was 51 Exabytes (EB) in 2020 and is expected to grow at a CAGR of 28% to 226 EB in 2026. The data traffic per smartphone is estimated to grow at a CAGR of 22% from 13.5GB in 2020 to 37GB in 2026. India is mirroring similar trends with an increasing share of data revenue vis-à-vis traditional voice services.

Apps Usage and Rural Penetration

Online retailing has become a new normal globally and is on a rapid growth trajectory in India. India led the total number of app downloads from Google Play Store, followed by United States in 2020. India is expected to have more than 900 million Internet users by FY2025 and 75% of the new user growth is expected to come from rural areas.

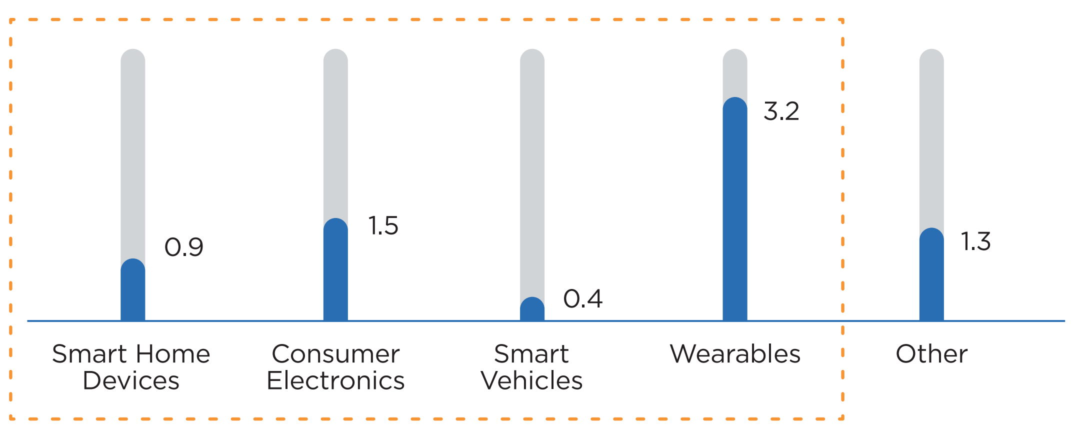


Evolution of Connected Devices and the Future Ahead

As the internet landscape is slowly expanding its horizon, the range of connected devices is attracting more usage. Consumers often use their smartphones to communicate with IoT device. We are rapidly moving to an environment that is permanently online and always connected. An increasingly digitalized and connected world will have a profound impact on a wide range of applications at home, at work, across cities and several other use-cases across industries such as healthcare, automotive, BFSI, FMCG, etc.

Global Industry Trends

c.6bn new connected consumer devices to be added by 2025 globally



Source: World Economic Forum White Paper titled "Our Shared Digital Future", 2021; Dentsu Report titled "Digital Advertising in India", 2021; Frost & Sullivan Report titled "Industry Insights on the Advertising and Ad Tech Market", 2021

Digital Advertising Trends and Opportunities

Backed by technology advancements and increasing digital user base, the outlook for the digital advertising industry is highly positive. Digital advertising comprised 47.2% of total ad spend globally and 49.5% of the U.S. market in 2020. By 2025, digital ad spend will comprise over 53% of the total ad spend globally. In 2020, while overall ad spends declined by 17% from previous year, ad spends on digital witnessed a growth of 15% from the previous year, further widening the growth gap between traditional and digital advertising. Mobile advertising accounted for a considerable chunk of the digital ad spends in 2020.

In Indian Context

India is one of the few markets in the world where digital advertising spends are likely to grow in double digits. Indian digital ad channel is set to become the largest amongst all media channels including TV, print, radio, Out-of-Home, etc. as ad spends are expected to be increasingly redirected towards digital formats.

Digital advertising spend in India is projected to grow at a CAGR of 30.7% to reach USD 8.25 billion in FY2025 from 2.16 billion in FY2020.

A segment that is fuelling growth for digital segment is mobile advertising. It is driven by factors such as 4G penetration, cost-effective data packages, proliferation of the mobile apps, social media and rapid growth in smartphone penetration giving boost to M-commerce.

Mobile advertisement spend is expected to grow at a CAGR of 32.4% to reach USD 6.6 billion in FY2025 from USD 1.6 billion in FY2020.

Source: Frost & Sullivan Report titled "Industry Insights on the Advertising and Ad Tech Market", 2021

BUSINESS REVIEW

The business of the Company is as follows:

Consumer Platform: Delivers consumer recommendations and conversions through relevant mobile advertising for leading brands and B2C companies globally.

Our Consumer Platform primarily provides the following services: (1) new consumer conversions (2) retargeting existing consumers, taking them closer to transactions; and (3) an online to offline ("O2O") platform that converts online consumer engagement into measurable in-store walk-ins.

We primarily earn revenue from our Consumer Platform on a Cost Per Converted User ("CPCU") basis.

CPCU model contributed 84.6% revenue to the Consumer Platform for FY2020-21 and 83.1% to the Company's Revenue from contracts with customers, on a consolidated basis.

Our Consumer Platform also earns revenue through brand awareness type advertising (Non-CPCU) which contributed 15.4% revenue to the Consumer Platform for FY2020-21, on a consolidated basis.

Our CPCU revenue for FY2020-21 on a consolidated basis was at Rs. 4,294.32 million, a growth of 44.8% from FY2019-20.

FY2021 CPCU Revenue	=	Average CPCU	x	User Conversions
Rs. 4,294 mn	=	Rs. 40.8	x	105.3 mn

* On a Consolidated Basis; CPCU data is unaudited

Revenue Break-up (FY2020-21)*

*On a Consolidated Basis

Consumer Platform Revenue (FY2020-21)*

*On a Consolidated Basis

Enterprise Platform: Provide end-to-end solutions for enterprises to enhance their engagement with mobile users, such as developing Apps, enabling offline to online commerce for offline businesses with e-commerce aspirations and providing enterprise grade data analytics for online and offline companies.

In Rs. million	FY2020-21	FY2019-20	Change (%)
(a) Consumer Platform	5,074.54	3,245.57	56.4%
(b) Enterprise Platform	93.25	92.26	1.1%
Revenue from contracts with customers	**5,167.79**	**3,337.83**	**54.8%**

During the year under review, on a consolidated basis, Consumer Platform revenue increased to Rs. 5,074.54 million, a significant growth of 56.4% on from FY2019-20. This growth was broad-based coming across the geographies and top industry verticals primarily driven by increase in digital marketing spends by the advertisers.

CONSOLIDATED FINANCIAL REVIEW

Consolidated Financial Results

In Rs. million	FY2020-21	FY2019-20	Change (%)
Revenue from contracts with customers	5,167.79	3,337.83	54.8%
Other income	415.31	60.88	
Total revenue	**5,583.10**	**3,398.71**	**64.3%**
Inventory and data costs	2,977.02	1,921.40	54.9%
Employee benefits expenses	539.92	272.93	97.8%
Finance costs	36.35	14.22	155.6%
Depreciation and amortisation expenses	196.35	133.31	47.3%
Other expenses	354.25	264.60	33.9%
Total expenses	**4,103.89**	**2,606.46**	**57.5%**
Profit Before Tax (PBT)	**1,479.21**	**792.25**	**86.7%**
Total tax expense	128.84	137.08	
Profit for the year	**1,350.37**	**655.17**	**106.1%**
% Profit Margin	*24.2%*	*19.3%*	
Non-controlling interests	2.34	-	
Profit attributable to equity holders of the parent*	**1,348.03**	**655.17**	**105.8%**
% Profit Margin	*24.1%*	*19.3%*	

*Profit after tax (PAT) net of non-controlling interest

EBITDA and EBIT Profile

In Rs. million	FY2020-21	FY2019-20	Change (%)
Earnings before interest, tax, depreciation, and amortisation (EBITDA)*	**1,300.02**	**888.27**	**46.4%**
% EBITDA Margin	*25.1%*	*26.5%*	
Earnings before interest and tax (EBIT)*	**1,103.67**	**754.96**	**46.2%**
% EBIT Margin	*21.3%*	*22.6%*	

*Adjusted for creditors written back in FY2020-21 amounting to Rs. 3.42 million and in FY2019-20 amounting to Rs. 9.37 million. In the reported consolidated financial statements, creditors written back are represented as part of the 'Other Income'.

Key Financial Ratios

Key Ratios*	As of March 31, 2021
Return on Net Worth (%)	37.6%
Return on Capital Employed (%)	19.7%
Total Debt/Equity (x)	0.33x
Days Sales Outstanding (DSO)	113
Interest Coverage Ratio (x)	30.4x
Current Ratio (x)	1.3x
Diluted Earnings per Share (Rs.)	52.96

*On account of acquisitions and investments during the year, there have been significant changes in assets and liabilities position of the balance sheet and therefore comparing financial ratios on a year-on-year basis would not be like-to-like comparison.

CONSOLIDATED RESULTS OF OPERATIONS (P&L)

Revenue

Our total revenue consists of (a) Revenue from contracts with customers and (b) Other income.

In Rs. million	FY2020-21	FY2019-20	Change (%)
Revenue from contracts with customers	5,167.79	3,337.83	54.8%
Other income	415.31	60.88	582.2%
Total revenue	**5,583.10**	**3,398.71**	**64.3%**

The Company reported Revenue from contracts with customers of Rs. 5,167.79 million and total revenue of Rs. 5,583.10 million, an increase of 54.8% and 64.3% respectively from FY2019-20. Our conversion driven business model powered by technological advances, is getting well recognized by advertisers resulting in higher business wins from both existing and new customers across the industry verticals.

Other income increased to Rs. 415.31 million from Rs. 60.88 million in FY2019-20. This increase in other income is primarily contributed by the gain on fair value assessment of financial instruments during FY2020-21.

Total Expenses

Our total expenses comprise: (a) inventory and data costs; (b) employee benefits expenses; (c) finance costs; (d) depreciation and amortisation expenses; (e) other expenses.

In Rs. million	FY2020-21	FY2019-20	Change (%)
Inventory and data costs	2,977.02	1,921.40	54.9%
Employee benefits expenses	539.92	272.93	97.8%
Finance costs	36.35	14.22	155.6%
Depreciation and amortisation expenses	196.35	133.31	47.3%
Other expenses	354.25	264.60	33.9%
Total Expenses	**4,103.89**	**2,606.46**	**57.5%**

Inventory and data costs were Rs. 2,977.02 million for FY2020-21, represented 57.6% of our Revenue from contracts with customers and is a major part of our total expenses. We continue to strategically invest in the Inventory & data costs to expand our reach across connected devices and build deeper insights towards the next billion online shoppers.

Our employee benefits expenses increased by 97.8% from FY2019-20, driven by our efforts to deepen access across existing and new markets globally and the acquisitions done during FY2020-21.

Finance Costs comprises: (a) interest on borrowings; (b) interest on lease liabilities; (c) interest on income tax; (d) bank charges; and (e) others. Our Interest Coverage Ratio (EBIT/Finance cost) stood at 30.4x, representing Company's ability to service its interest obligations out of its operating income was 30.4 times during FY2020-21.

Depreciation and amortisation expenses was Rs. 196.35 million for FY2020-21, an increase of 47.3% from FY2019-20 . This was primarily due to the increase in amortisation of software application development and amortisation of assets acquired as part of the acquisitions done during the FY2020-21.

Other expenses for FY2020-21 were Rs. 354.25 million and represented 6.9% of our Revenue from contracts with customers vs. 7.9% in FY2019-20.

Profitability

Profit before tax registered a strong growth of 86.7% to stand at Rs. 1,479.21 million for FY2020-21 as compared to Rs. 792.25 million in FY2019-20.

Profit after tax attributable to equity holders of the parent registered a strong growth of 105.8% to stand at Rs. 1,348.03 million for FY2020-21 as compared to Rs. 655.17 million in FY2019-20. If we normalize this profit to exclude the gain on fair value assessment of financial instruments, related tax expense and one-time deferred tax liability on account of non-amortisation of goodwill, then our Normalized PAT stood at Rs. 1,030.99 million in FY2020-21, a y-o-y growth of 57.4%.

CONSOLIDATED FINANCIAL POSITION (BALANCE SHEET)

Total Shareholders' Equity

	As of	
In Rs. million	March 31, 2021	March 31, 2020
Equity share capital	254.96	254.96
Other equity attributable to equity holders of the parent	3,332.62	2,036.63
Non-controlling interests	4.24	-
Total equity	**3,591.82**	**2,291.59**

The paid-up equity share capital of the Company as of March 31, 2021 was Rs. 254.96 million comprising 25,496,367 equity shares of face value of Rs. 10/- per share.

Other equity (attributable to equity holders of the parent) increased by 63.6% from FY2019-20. This increase was primarily driven by growth in Retained earnings of 122.0% from FY2019-20, partially offset by impact of exchange differences on translating the financial statements of foreign operations forming part of other comprehensive income.

Debt Position (Short-term and Long-term Borrowings)

	As of	
In Rs. million	March 31, 2021	March 31, 2020
Current borrowings	275.22	357.24
Non-Current borrowings	893.21	280.60
Total Debt	**1,168.43**	**637.84**
Total Debt/Equity (x)	**0.33x**	**0.28x**

Total debt for the Company was Rs. 1,168.43 million and debt-to-equity ratio was at 0.33x as of March 31, 2021 vs. 0.28x as of March 31, 2020. Increase in the Company's debt was primarily on account of the loan taken by our wholly-owned subsidiary Affle International Pte. Ltd., to partially finance the acquisitions of Appnext Pte. Ltd., Singapore.

Assets Position (Line items with significant changes)

	As of	
In Rs. million	March 31, 2021	March 31, 2020
Current assets (key line items)		
Trade receivables	1,079.11	744.35
Contract assets (unbilled revenue)	526.53	198.75
Other current financial assets	179.46	10.40
Non-current assets (key line items)		
Goodwill	3,149.33	1,106.73
Intangible assets under development	403.41	48.00
Investments	758.43	0.26

Trade receivables increased to Rs. 1,079.11 million as of March 31, 2021 from Rs. 744.35 million as of March 31, 2020, primarily on account of the growth in our revenues from contracts with customers.

Contract asset comprises revenue that is not yet billed to customers. The contract asset as a percentage of Revenue from contracts with customers was 10.2% for FY2020-21.

Other current financial assets increased majorly on account of loan given by our wholly-owned subsidiary Affle International Pte. Ltd., during the year.

Goodwill increased to Rs. 3,149.33 million as of March 31, 2021 from Rs. 1,106.73 million as of March 31, 2020, primarily due to Rs. 2,086.15 million added in goodwill during the year on account of acquisition of the Appnext Pte. Ltd., Singapore and acquisition of business of Discover Tech Limited.

Intangible assets under development increased to Rs. 403.41 million as of March 31, 2021 from Rs. 48.00 million as of March 31, 2020 primarily on account of new tech modules still under development phase and not yet being deployed.

LIQUIDITY AND CAPITAL RESOURCES (CONSOLIDATED)

Cash Flows Position

Net Cash generated from / (used in) (In Rs. million)	FY2020-21	FY2019-20
(a) Operating Activities	1,016.16	718.52
(b) Investing Activities	(1,748.40)	(1,627.42)
(c) Financing Activities	530.86	1,386.94
Net change in cash and cash equivalent (a+b+c)	**(201.38)**	**478.04**
Cash and cash equivalent as at the beginning of year	695.90	206.08
Total Cash and cash equivalent as at the end of year (excluding Other Bank Balance)	**491.49**	**695.90**

Our liquidity requirements arise principally from our operating activities, working capital needs and investment activities (primarily acquisition of businesses).

Our Net cash flows generated from operating activities were Rs. 1,016.16 million and Rs. 718.52 million during FY2020-21 and FY2019-20, respectively.

Our cash and cash equivalents as of March 31, 2021 (excluding Other Bank Balance) was Rs. 491.49 million, as compared to Rs. 695.90 million as of March 31, 2020. This was primarily driven by (a) increase in net income (excluding gain on fair value assessment of financial instruments, and excluding non-cash charges to net income such as depreciation, amortization, and changes in working capital); (b) proceeds from borrowings; (c) redemption in bank deposits (having original maturity of more than three months); and (d) interest received on bank deposits.

However, this was partially offset by (a) investment made for the acquisition of a subsidiary; (b) investments in bank deposits (having original maturity of more than three months); (c) repayment of borrowings; (d) purchase of property, plant & equipment, intangible assets including capital work in progress; and (e) purchase of investments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Affle has well-established Internal Control Systems, commensurate with the size, scale and nature of its operations. Stringent controls and processes are in place to monitor and control our operations across the markets we operate in. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorised use or losses, and compliances with applicable regulations.

The Audit Committee defines the scope and authority of the Internal Auditor. The Audit Committee comprises of Directors who interact with the statutory auditors, internal auditors, and management in dealing with matters within its terms of reference. To maintain its independence, the Internal Auditor reports to the Audit Committee chaired by an Independent Director of the Board. Internal Audit team periodically conducts audits across the Company, which include review of operating effectiveness of internal controls. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Risk Management Committee oversees the overall process of risk management throughout the organisation. Business Heads and Support Function Heads are also responsible for establishing effective internal controls within their respective functions. The Company's business units and corporate functions address risks through an institutionalized approach aligned to the Company's objectives.

HUMAN RESOURCES REVIEW

Affle is committed to nurturing an environment that promotes inclusive growth and drives thought leadership. With this objective in place, we have drawn a comprehensive human resource strategy which addresses all key aspects of human resource development including (i) adoption of fair business practices; (ii) promoting workforce diversity, evolution of performance based compensation packages to attract and retain the talent; (iii) rewards & recognition and several best-in-class employee initiatives; and (iv) delivery of training programs to improve technical, functional and managerial competence.

As at March 31, 2021, our total employee count (including contractual and consultant employees) on a consolidated basis was 385, with 147 employed in R&D, 80 employed in Data Platforms and Operations, 105 employed in Sales and Marketing, 40 employed in General Administration and 13 in Management team.

Further details on our human capital are available on pages 32, 33, 34 and 35 of this integrated annual report.

OUR RESPONSE TO COVID-19 SITUATION

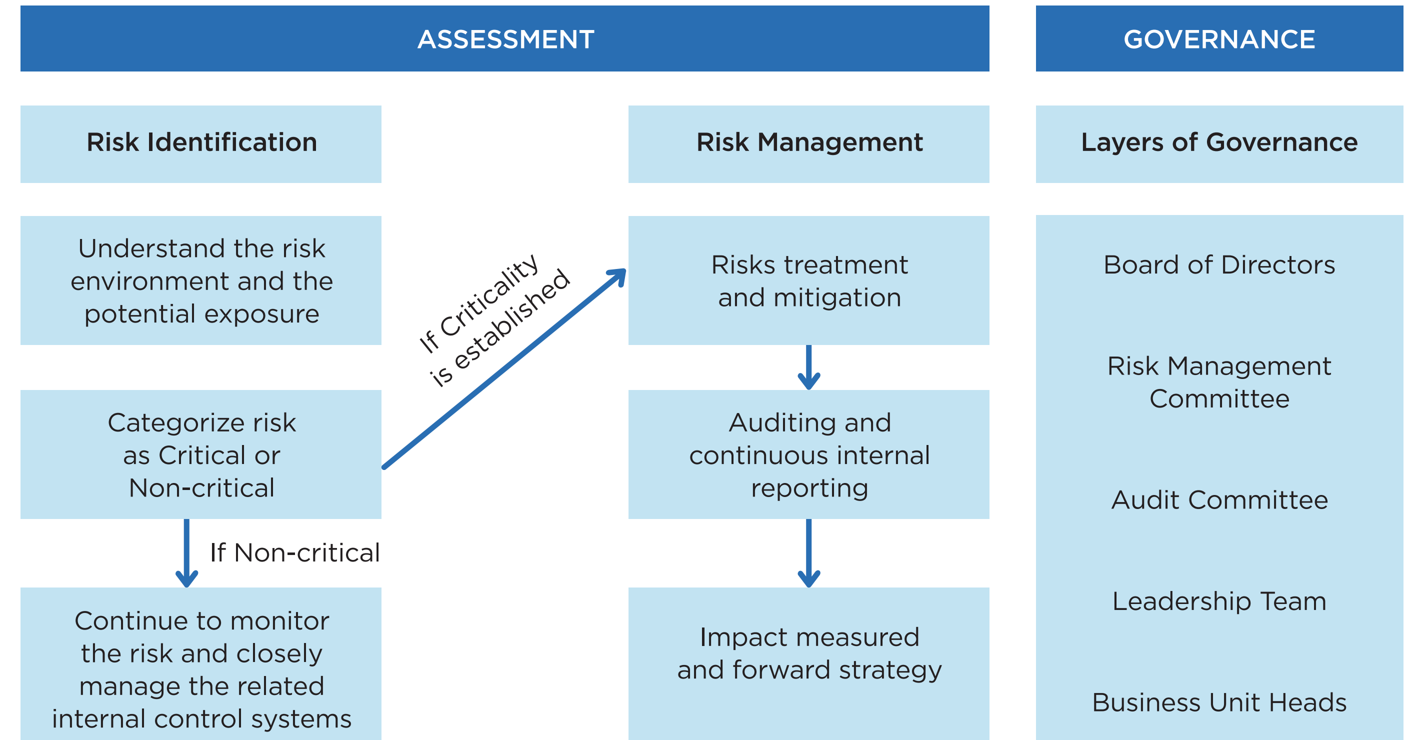
Our business continuity response to Covid-19 situation is discussed in detail on page 23 of this integrated annual report.

THREATS, RISKS & CONCERNS

As a global company, Affle may be exposed to a range of external as well as internal risks that can have an impact on its performance. In order to efficiently manage these, we have built a strong risk management framework which includes identification of the identified risks, its impact and our mitigation strategy. You should carefully consider these risks and all other information in the Annual Report. Any of these risks could adversely affect our business, operating results, financial condition, and prospects.

Risk Management Framework

The risk management process, framework, policy and guidelines are developed, maintained and monitored by the Risk Management Committee.



Key Risks and Mitigation Strategy

Risk	Defining the Risk	Mitigation Strategy
Macro-economic Risk / Economic Uncertainties	Customers can reduce their marketing spends due to economic uncertainties in key markets like India, South East Asia, Middle East Africa, Latin America, US and Europe	We consistently track the markets we operate in, followed by close coordination between the business teams and finance teams to discuss any business concerns with respect to broader economic scenario, business related developments or regarding the customers we serve in specific. Further, our business is well diversified across industry verticals and across geographies; with no major negative impact expected.
Business Continuity Risk	Potential natural or man-made hazards may impact business operations and even pose a risk to employee safety	We have the necessary Standard Operating Procedures (SOPs) and Business Continuity Plan (BCP) that addresses disruptions which could be faced by our teams or the employees, across our India and International offices. We have Work from Home policy in place, event specific succession planning, medical insurance for all employees and a dedicated quick response team.
Technological / Data related Changes	If our ability to profile connected devices is restricted by certain disruptive changes in technology, it could have an adverse impact on business model / operations	Most of our business is mobile apps focused and our exposure to browsers is highly limited, where such technological changes have been predominant till now. Further, we have developed competencies across various technologies and operating environments; and our R&D teams continually strive to be future-ready for any such risks.

Systems, Data and Digital Infrastructure Security Failures	Failures in systems and the digital infrastructure supporting our systems could significantly disrupt our operations	We have a comprehensive disaster recovery and business recovery plan for our Consumer Platform tech infrastructure. Our risk mitigation strategy aims for distributed architecture of services and speed of restoration of services. Our active architecture distributes the servers across multiple cloud providers/countries/ regions/zones, allowing us to dynamically scale for load bursts or adapt for sudden failures. We maintain a multi-cloud risk managed strategy to scale across different clouds as and when required. We ensure that all critical information is securely stored across different layers of attached/cloud/remote distributed storage to mitigate risks while allowing for quick restoration of back ups. Our cloud assets are secured using a combination of passwords, certificates, multi-layered IAM policies, VPNs, Firewalls, anomaly detection systems, etc.
Competition Risk	Mobile advertising industry is competitive, dominated by digital giants such as Google and Facebook and rapidly changing with multiple smaller players coming in	We continue to invest in enhancing our product offerings and platform capabilities, with a greater tech emphasis. These are the key differentiators for our business sustainability. We do not head-on compete with any of the walled gardens but rather see ourselves co-existing and being in a symbiotic relationship with them. We focus towards further strengthening our relationship with the customers, with consistent efforts going in to strengthen operations, sales and account management teams.
Foreign Exchange Fluctuations	Company may be exposed to foreign exchange fluctuations	We monitor currency movements closely, however, major part of our business has a natural hedge with no major impact expected.
Liquidity Risk	Any threat to the liquidity could be a risk factor	Our Interest Coverage Ratio (EBIT/Finance cost) stood at 30.4x, representing Company's ability to service its interest obligations out of its operating income was 30.4 times during FY2020-21. Also, we have been maintaining positive cash flows from operations.
Credit Risk	Default or inability of the customers to pay on time may impact the balance sheet position and/or the profitability	We have an effective receivable management framework in place to maintain the receivable days. Our finance team deploys strong check and balances to mitigate any credit risks or any possibility of increase in bad debts.
Compliance Risk	Adherence to laws and regulations pertaining to a public-listed company is mandatory	We have a dedicated in-house secretarial and compliance team that manages all the compliances effectively. We also have all the necessary Corporate Policies in place to ensure the regulatory compliances are well met with.
Reputation Risk	Negative media coverage or certain actions by activist shareholders may divert the time and attention of our board and management and adversely affect the share price	To mitigate this, Affle has adopted the following approach: 1. Regular screening of media coverage by our PR team and preemptive response by the senior management, if required. 2. Regular interactions with the shareholders & analysts and providing the information in a transparent and timely manner.
Environmental Sustainability	The Company has low direct environmental impact. However, there could be broad-based external environmental risks that could potentially impact the health of our employees.	The company will strive to not only proactively assess and minimize the impact of environmental risks, but also enable effective resource allocation aligned to our ESG sustainability principles.

GROWTH STRATEGY AND OUTLOOK

In terms of Affle's overall growth strategy, we are anchored in India - our dominant and largest market, and in international markets particularly emerging markets including South East Asia, Middle East & Africa where we have a strong on-ground presence. We have also recently expanded into Latin America. We have grown in scale significantly and have a well-defined strategic roadmap for organic and inorganic growth:

- Enhance revenue from existing and new customers and strategically invest in inventory & data cost to reach the next billion shoppers on connected devices
- Further develop the fraud detection & prevention platform and address key industry challenges
- Expand the scope of products from just mobile to connected devices mapping consumers' end-to-end digital journey
- Continue to selectively pursue acquisitions
- Penetrate further in emerging markets with a key focus on delivering more conversions across industry verticals
- Continue to invest in the 4V strategy of Vernacular, Verticalization, Voice and Video
- Invest to develop and continuously enhance technological capabilities

CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis Report concerning the future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, ability to manage growth, intense competition in our industry including those factors which may affect company's cost advantage, seasonality of business, wage increases, company's ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, client concentration, company's ability to manage its international operations, company's ability to successfully complete and integrate potential acquisitions, liability for damages on company's contracts, the success of the companies in which Affle has made strategic investments, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry or the global economy.

DIRECTORS' REPORT

Dear Member(s),

The Board of Directors hereby submits the report of the business and operations of Affle (India) Limited ("Affle" or the "Company"), along with the audited financial statements, for the financial year ended March 31, 2021.

The results of operations for the year under review are given below:

FINANCIAL HIGHLIGHTS

(In Rs. million)

Particulars	Consolidated		Standalone	
	FY2020-21	FY2019-20	FY2020-21	FY2019-20
Revenue from contracts with customers	**5,167.79**	**3,337.83**	**2,667.34**	**1,822.26**
Other income	415.31	60.88	64.45	51.30
Total revenue	**5,583.10**	**3,398.71**	**2,731.79**	**1,873.56**
Total expenses	4,103.89	2,606.46	2,336.13	1,433.31
Profit before exceptional items and tax	**1,479.21**	**792.25**	**395.66**	**440.25**
Less: Exceptional items	-	-	-	-
Profit before tax	**1,479.21**	**792.25**	**395.66**	**440.25**
Less: Current tax	119.80	138.35	91.45	112.60
Less: Deferred tax charge / (credit)	9.04	(1.27)	21.94	(1.20)
Profit for the year	**1,350.37**	**655.17**	**282.27**	**328.85**
Other comprehensive (loss) / income	(54.38)	54.73	(0.71)	1.16
Total comprehensive income for the year	**1,295.99**	**709.90**	**281.56**	**330.01**
Non-controlling interests	2.34	-	-	-
Profit attributable to equity holders of the parent	**1,348.03**	**655.17**	**282.27**	**328.85**
Total comprehensive income attributable to equity holders of the parent	**1,293.65**	**709.90**	**281.56**	**330.01**
Earnings per equity share – face value of Rs. 10/- each	**52.96**	**26.13**	**11.07**	**13.12**

REVIEW OF OPERATIONS

Consolidated Financial Review

During the year under review, the Company reported total revenue of Rs. 5,583.10 million, an increase of 64.3% from Rs. 3,398.71 million in FY2019-20. Revenue from contracts with customers was Rs. 5,167.79 million, an increase of 54.8% from Rs. 3,337.83 million in FY2019-20. Profit before tax registered a growth of 86.7% to stand at Rs. 1,479.21 million for the year under review as compared to Rs. 792.25 million in FY2019-20. Profit after tax registered a growth of 106.1% to stand at Rs. 1,350.37 million for the year under review as compared to Rs. 655.17 million in FY2019-20. Profit after tax attributable to equity holders of the parent (after adjusting for non-controlling interests) registered a growth of 105.8% to stand at Rs. 1,348.03 million for the year under review as compared to Rs. 655.17 million in FY2019-20.

Total debt for the Company was Rs. 1,168.43 million as of March 31, 2021 and total cash & cash equivalent (including 'other bank balance') was Rs. 632.45 million as of March 31, 2021.

The Company generated Cash flows from operations of Rs. 1,016.16 million during the year, a growth of 41.4% from Rs. 718.52 million generated in FY2019-20.

Standalone Financial Review

During the year under review, the Company reported total revenue of Rs. 2,731.79 million, an increase of 45.8% from Rs. 1,873.56 million in FY2019-20. Revenue from contracts with customers was Rs. 2,667.34 million, an increase of 46.4% from Rs. 1,822.26 million in the previous financial year. Profit before tax stood at Rs. 395.66 million for the year under review as compared to Rs. 440.25 million in the previous financial year. Profit after tax stood at Rs. 282.27 million for the year under review as compared to Rs. 328.85 million in the previous financial year.

On a standalone basis, the Company had no debt as of March 31, 2021 and total cash & cash equivalent (including 'other bank balance') was Rs. 342.96 million as of March 31, 2021.

DIVIDEND

The Directors wish to invest the profits back into the Company for further growth and expansion, and therefore did not recommend any dividend for the FY2020-21.

TRANSFER TO RESERVES

The Company did not transfer any amount to the general reserve during the year.

MATERIAL CHANGE AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company on May 4, 2021 made an allotment of 1,153,845 equity shares of face value Rs. 10 each at a price of Rs. 5,200 per equity share, including a premium of Rs. 5,190 per equity share at a discount of 4.11% on the Floor Price amounting to Rs. 222.94 per equity share, aggregating to Rs. 5,999.99 million to Qualified Institutional Buyers pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

In view of the above, the paid-up share capital of the Company increased from Rs. 254,963,670/- divided into 25,496,367 equity shares of face value Rs. 10/- per share, to Rs. 266,502,120 divided into 26,650,212 equity shares of face value Rs. 10/- per share.

CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There was no change in the nature of business of the Company.

SHARE CAPITAL

As on the date of this report, consequent to allotment made to Qualified Institutional Buyers on May 4, 2021, the paid-up share capital of the Company is Rs. 266,502,120 divided into 26,650,212 equity shares of face value of Rs. 10/- per share.

BUSINESS ACQUISITIONS AND STRATEGIC INVESTMENTS

Business Acquisitions

Acquisition of Appnext Pte. Ltd.

The Company through its wholly owned subsidiary, Affle International Pte. Ltd., Singapore ("Affle International"), acquired 66.67% shares and 95% control in Appnext Pte. Ltd. ("Appnext"), vide Share Purchase Agreement for a consideration of USD 16.45 million (equivalent to Rs. 1,204.73 million). Also, Affle MEA FZ-LLC, Dubai ("AMEA"), a step-down subsidiary of the Company entered into an Intellectual Property Purchase Agreement to acquire 100% Tech IP assets of Appnext for a consideration of USD 0.80 million (equivalent to Rs. 58.59 million).

Further, Affle International, in the Share Purchase Agreement, also has the right to acquire 28.33% shares of Appnext at the end of three years from the date of completion of the Share Purchase Agreement which has been accounted as per anticipated acquisition method in books of Affle International.

Acquisition of business assets of Discover Tech Limited

On February 17, 2021, the Company through its step-down subsidiary, Affle MEA FZ-LLC, Dubai completed the necessary closing conditions for acquisition of business assets of Discover Tech Limited.

For more details on acquisitions and strategic investments by the Company during the year, please refer note 39 of the Consolidated Financial Statements.

Strategic Investments

Talent Unlimited Online Services Private Limited ("Bobble")

On August 08, 2020, the Company had made a strategic, non-controlling investment and acquired 8% stake on a fully diluted basis in Talent Unlimited Online Services Private Limited ("Bobble") for a consideration of Rs. 198.00 million through Compulsory Convertible Preference Shares ("CCPS"). Additionally, the Company also entered into an exclusive global monetisation agreement for Bobble's intellectual property, which also provides rights to the Company to acquire an additional stake up to 10.74% of Bobble, through subscription/purchase to CCPS and Equity Shares at a pre-agreed consideration, upon meeting of milestones as defined in the global monetisation agreement.

OS Labs Pte. Ltd.

The Company through its wholly owned subsidiary, Affle International Pte. Ltd. ("Affle International"), had made a strategic, non-controlling investment and acquired 8% stake in OS Labs Pte. Ltd., Singapore for a consideration of USD 2.86 million (equivalent to Rs. 209.24 million) through Compulsory Convertible Preference Shares ("CCPS"). On January 25, 2021, Affle International entered into a definitive share purchase agreement to sell its minority investment of 8% in OS Labs Pte. Ltd. to its promoter group company, Affle Global Pte. Ltd. ("AGPL") for a consideration of USD 2.86 million (equivalent to Rs. 209.24 million) with an option to purchase the minority investment back from AGPL at a premium of 5% after 1 year or 10% after 2 years subject to any approvals that may be required.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2021, the Company has the following subsidiary and step-down subsidiaries:

- Affle International Pte. Ltd., Singapore (Subsidiary with effect from April 01, 2018)
- PT. Affle Indonesia, Indonesia (Step down Subsidiary with effect from July 01, 2018)
- Affle MEA FZ-LLC, Dubai (Step down Subsidiary with effect from April 01, 2019)
- Mediasmart Mobile S.L, Spain (Step down Subsidiary with effect from January 22, 2020)
- Appnext Pte. Ltd., Singapore (Step down Subsidiary with effect from June 8, 2020)
- Appnext Technologies Limited, Israel (Step down Subsidiary with effect from July 19, 2020)

Mediasmart Mobile Limited, United Kingdom has ceased to be a step-down subsidiary as it was dissolved with effect March 23, 2021.

The Company does not has any Joint Venture and Associate Company, as on March 31, 2021.

A statement containing the salient features of the financial statements of the subsidiaries in the prescribed **Form AOC-1** is annexed to this report as **Annexure I.**

CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a separate section on "Corporate Governance" with a detailed Report on Corporate Governance forms part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion & Analysis Report for the year under review as stipulated under Listing Regulations is presented separately as part of this Annual Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 9 (nine) times during the year under review. The details of the meetings of the Board including that of its Committees are given in the Report on Corporate Governance section forming part of this Annual Report.

ESTABLISHMENT OF THE VIGIL MECHANISM

The Company has formulated an effective Whistle Blower Mechanism and a policy that lays down the process for raising concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The full text of the Policy is available under investor relations section on the website of the Company at https://www.affle.com.

No complaints were received through the said mechanism.

RISK MANAGEMENT POLICY

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors, covering the process of identifying, assessing, mitigating, reporting and review of critical risks impacting the achievement of Company's objectives or threaten its existence.

To further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors has a Risk Management Committee and has also formulated a Risk Management Policy. The full text of the Policy is available under investor relations section on the website of the Company at https://www.affle.com.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of investments made by the Company in securities of other companies are set out in note 5(a) of the Standalone Financial Statements of the Company.

The Company has not given any loan. However, the Company issued Standby Letter of Credit (SBLC) amounting to Rs. 695.74 million (equivalent to USD 9.5 million) in favour of Axis Bank Limited, Singapore in lieu of term loan taken by Affle International Pte. Ltd, a wholly owned subsidiary of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all contracts/arrangements/transactions entered into by the Company with related parties under Section 188(1) of the Companies Act, 2013 were in the ordinary course of business and on arm's length basis. Thus, the transactions reported in **Form AOC-2** annexed to this report as **Annexure II** are all at arm's length basis.

PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposits from the public falling within the preview of section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, following changes took place in the Board of Directors of the Company.

1. Re-appointment of Mr. Bijynath (DIN: 08160918), Ms. Sumit Mamak Chadha (DIN: 05207581) and Mr. Vivek Narayan Gour (DIN: 00254383), as Independent Director of the Company for a term of 5 consecutive years w.e.f. June 1, 2020.
2. Cessation of tenure of Mr. Naresh Chand Gupta (DIN: 00172311) and Mr. Sudhir Mohanlal Jatia (DIN: 00031969) as Independent Director w.e.f June 1, 2020.

3. Resignation of Mr. Charles Yong Jien Foong (DIN: 08160891) and Mr. Kapil Mohan Bhutani (DIN: 00554760) as Executive Director w.e.f June 1, 2020.

Retire by Rotation

As per the provisions of the Companies Act, 2013, Ms. Mei Theng Leong, Director retires by rotation at the ensuing Annual General Meeting and, being eligible, seeks reappointment. The Board recommends her reappointment.

Key Managerial Personnel

During the year under review, the following persons were designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

Mr. Anuj Khanna Sohum, Chairman, Managing Director & Chief Executive Officer

Mr. Kapil Mohan Bhutani, Chief Financial & Operations Officer

Ms. Parmita Choudhury, Company Secretary & Compliance Officer

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the Nomination and Remuneration Policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available under investor relations section on the Company's website at https://www.affle.com.

Further, the Company has also formulated a Board Diversity Policy to assure that the Board is fully diversified and comprises of an ideal combination of Executive and Non-Executive Directors, including Independent Directors, with diverse backgrounds.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company received declaration from Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 and Listing Regulations, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations.

PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board carried out an annual performance evaluation of its own performance, the Directors individually, as well as, the evaluation of the working of its Committees.

The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors and strategic planning.

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy.

The outcome of the Board Evaluation for the financial year 2020-21 was discussed by the Independent Directors at its meeting held on March 24, 2021 and by the Board at its meeting held on May 29, 2021.

INDEPENDENT DIRECTORS MEETING

A separate meeting of Independent Directors without the attendance of Executive Directors and members of Management was held on March 24, 2021.

ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with read with Rule 12 of the Companies (Management and Administration) Rules, 2014, copy of the Annual Return of the Company (MGT-7) for financial year 2020-21 prepared in accordance with Section 92(1) of the Act has been placed on the website and is available at https://affle.com/images/pdf/Q4/Annual%20Return%20for%20financial%20year%20ended%20March%2031,%202021.pdf

STATUTORY AUDITORS

M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (FRN:101049W/E300004), were appointed as the Statutory Auditors of the Company in the 24th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company from FY2019-20 to FY2023-24 subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, effective May 7, 2018 had done away with the requirement of annual ratification of appointment of Statutory Auditors, therefore in accordance with the amended Section 139 of the Companies Act, 2013, the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company, shall not require any annual ratification.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark except the following Emphasis of Matter.

"We draw your attention to note 39.2 (i) of the consolidated financial statements and note 38.1 of the standalone financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to Rs. 59.24 million as on March 31, 2021 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not qualified in respect of this matter."

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Kiran Sharma & Co., Company Secretaries as the Secretarial Auditors of the Company to undertake Secretarial Audit of the Company for FY2020-21. The Secretarial Audit Report is annexed to this report as **Annexure III**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

Grant Thornton Bharat LLP performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee quarterly.

DETAILS ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") INITIATIVES

The Annual Report on CSR activities of the Company in prescribed format is annexed to this report as **Annexure IV.**

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report in accordance with the Listing Regulations, separately forms a part of this Annual Report.

INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of energy

The Company being in mobile advertising technology business, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate entity, the Company endeavours to reduce its energy consumption by tracking the consumption of resources critically.

b. Technology absorption and innovation

The Company continues to innovate and enhance its technology capabilities for delivering a sustainable profitable growth to all its shareholders. During the year, the Company has worked towards building expertise in the following technology domains:

1. **Data Science Developments:** During the year, we have grown the data science team both organically and inorganically through hirings. Organically, we have encouraged trainings in Data Science and many employees within the team have taken up these learnings. Moreover, we have increased the use of tools that allow for data science to be used by product managers and staff for faster insights and behavioural analysis.

2. **Appnext:** We have integrated our Out-of-Box-Experience (OOBE) solution with Appnext platform.

3. **Omnichannel Developments:** Key developments include a faster and better feed bus integration which can now ingest large volumes of catalogue / inventory and feed information that enables better intelligence and engagement with users. This coupled with our drive in data science with smart segments enables us to reach the right audience with the right notifications at the right time.

4. **DevOps Developments:** Our DevOps team continually improves our infrastructure costs by implementing the latest stable versions of systems that reduce certain costs in our infrastructure by up to 30-40%. Also, ensuring our systems are automated for fast delivery cycles and faster recovery times.

   - Method and System for Creating Decentralized Repository of Fraud IPs and Publishers using Blockchain
   - Method and system for click to install behavior-based detection of fraud
   - Method and system for application installation and interaction during a podcast

c. Foreign exchange earnings and outgo

The foreign exchange earned in terms of actual inflows and the foreign exchange in terms of actual outflows, during FY2020-21 are as follows:

	(In Rs.)
Earnings	489,346,014
Outgo	691,592,265

PARTICULARS OF EMPLOYEES

Details of the top ten employees in terms of remuneration drawn, as required under the provisions of Section 197 of the Act, read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report as **Annexure V**.

The ratio of remuneration of each director and key managerial personnel to the median of employees' remuneration, the percentage increase in remuneration, as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **Annexure VI.**

There were no employees who were employed throughout the financial year or part thereof, by himself/ herself or along with his/ her spouse and dependent children, held more than two percent of the equity shares of the Company.

Further, there are no employees posted and working outside India and drawing salary in excess of the prescribed limits under the above Rules and accordingly, the statement included in this report does not contain the particulars of employees who are posted and working outside India.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submit its responsibility Statement:

a. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b. the Directors have selected such accounting policies and applied them consistently and made judgements 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, 2021 and of the profit of the Company for that year.

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. the Directors have prepared the annual accounts on a going concern basis.

e. the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively.

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors place on record their sincere thanks to the customers, employees, bankers, business associates, consultants, various Government Authorities and other stakeholders for their continued support extended to the Company during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on Behalf of The Board of Directors
Affle (India) Limited

Anuj Khanna Sohum
Chairman, Managing Director
& Chief Executive Officer
DIN: 01363666

Date: May 29, 2021
Place: Singapore

ANNEXURE-I

Form AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

(USD $'000)

Name of the subsidiary	Affle International Pte. Ltd.	PT. Affle Indonesia	Affle MEA FZ-LLC	Mediasmart Mobile S.L.	Appnext Pte. Ltd	Appnext Technologies Limited
Date since when subsidiary was acquired / incorporated	01.04.2018	01.07.2018	01.04.2019	22.01.2020	08.06.2020	19.07.2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	January to December
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US Dollars 73.2361	Indonesian Rupiah 0.00502	US Dollars 73.2361	Euro 85.9620	US Dollars 73.2361	Israeli Shekel 21.9357
Share capital	10,750	312.33	13.62	145.88	20.00	0.30
Reserves and surplus	11,002.42	10.28	9,713.51	(106.31)	1,132.25	10.84
Total assets	57,256.81	1,674.33	14,075.28	3,207.05	5,258.85	141.53
Total Liabilities	57,256.81	1,674.33	14,075.28	3,207.05	5,258.85	141.53
Investments	36,378.10	-	-	-	-	-
Turnover	13,072.61	2,373.17	14,287.94	7,762.92	12,270.27	232.75
Profit before taxation	5,172.24	175.91	7,915.64	690.75	903.21	10.89
Provision for taxation	424.71	75.01	-	(387.44)	130.53	-
Profit after taxation	4,747.53	100.90	7,915.64	1,078.19	772.68	10.89
Proposed Dividend	-	-	-	-	-	-
Extent of shareholding (in percentage)	100%	100%	100%	100%	95%	100%

Notes:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: Mediasmart Mobile Limited, United Kingdom was dissolved on March 23, 2021

Part B: Associates and Joint Ventures

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

Name of Associates or Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Extent of Holding (in percentage)			
5. Reason why the associate/joint venture is not consolidated			
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

Notes: The Company has no associates or joint ventures as on March 31, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
DIN: 01363666

Anuj Kumar
Director
DIN: 01400273

Kapil Mohan Bhutani
Chief Financial & Operations Officer

Parmita Choudhury
Company Secretary
Membership No.26261

ANNEXURE-II

FORM NO. AOC-2

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis.**

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

2. **Details of contracts or arrangements or transactions at Arm's length basis.**

Name of the related party	Nature of relationship	Duration of the contracts/ arrangements/ transaction	Nature of transaction	Amount (In Rs. million)
Affle Holdings Pte. Ltd	Holding Company	Not applicable	Reimbursement of Expenses to the Company	2.50
Affle International Pte. Ltd.	Wholly owned Subsidiary Company	Not applicable	Rendering of Services by the Company	143.63
			Rendering of Services to the Company	14.24
			Reimbursement of Expenses to the Company	106.95
			Reimbursement of Expenses by the Company	148.50
			Subscription of shares	363.22
Affle MEA FZ-LLC	Step down Subsidiary Company	Not applicable	Rendering of Services to the Company	88.72
			Rendering of Services by the Company	58.49
			Reimbursement of Expenses by the Company	0.16
Mediasmart Mobile S.L	Step down Subsidiary Company	Not applicable	Rendering of Services to the Company	9.67
Appnext Pte. Ltd	Step down Subsidiary Company	Not applicable	Rendering of Services to the Company	112.25
			Reimbursement of Expenses by the Company	190.38

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Affle (India) Limited
102, Wellington Business Park-I,
Off Andheri Kurla Marol,
Andheri East, Mumbai- 400059
Maharashtra

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **AFFLE (INDIA) LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **AFFLE (INDIA) LIMITED,** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on March 31, 2021 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:

Due to unprecedented lockdown imposed in the country caused by COVID-19 pandemic at a crucial time when the audit was underway limiting the availability of physical access to the records of the Company, and which lockdown continues even on the date of signing this report, I have examined in the best possible manner, through the virtual platform, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial year ended on March 31, 2021, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
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;

   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; **Not Applicable**

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**

   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; **Not Applicable**

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**

vi. As confirmed and certified by the management, there is no law specifically applicable to the Company based on the Sectors / Businesses.

I have also examined compliance with the applicable clauses/regulations of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and Notified by Ministry of Corporate Affairs.

ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director. The changes, if any, 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.

ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance (and at a Shorter Notice for which necessary approvals were obtained) 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.

iii. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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 laws, rules, regulations and guidelines.

I further report that during the audit period following events took place having a major bearing on the Company's affairs in the pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

i. Strategic Investments

Talent Unlimited Online Services Private Limited ("Bobble")

On August 08, 2020, the Company had made a strategic, non-controlling investment and acquired 8% stake on a fully diluted basis in Talent Unlimited Online Services Private Limited ("Bobble") for a consideration of Rs. 198.00 million through Compulsory Convertible Preference Shares ("CCPS"). Additionally, the Company has also entered into an exclusive global monetisation agreement for Bobble's intellectual property, which also provides rights to the Company to acquire an additional stake upto 10.74% of Bobble, through subscription/purchase to CCPS and Equity Shares at a pre-agreed consideration, upon meeting of milestones as defined in the global monetisation agreement.

OS Labs Pte. Ltd.

The Company through its wholly owned subsidiary, Affle International Pte. Ltd. ("Affle International"), had made a strategic, non-controlling investment and acquired 8% stake in OS Labs Pte. Ltd., Singapore for a consideration of USD 2.86 million (equivalent to Rs. 209.24 million) through Compulsory Convertible Preference Shares ("CCPS").

On January 25, 2021, Affle International entered into a definitive share purchase agreement to sell its minority investment of 8% in OS Labs Pte. Ltd. to its promoter group company Affle Global Pte. Ltd. ("AGPL") for a consideration of USD 2.86 million (equivalent to Rs. 209.24 million) with an option to purchase the minority investment back from AGPL at a premium of 5% after 1 year or 10% after 2 years subject to any approvals that may be required.

ii. Acquisitions

Acquisition of Appnext Pte. Ltd.

The Company through its wholly owned subsidiary, Affle International Pte. Ltd. ("Affle International"), had acquired 66.67% shares and 95% control in Appnext Pte. Ltd. ("Appnext"), vide Share Purchase Agreement for a consideration of USD 16.45 million (equivalent to Rs. 1,204.73 million). Also, Affle MEA FZ-LLC, Dubai ("AMEA"), a step-down subsidiary of the Company has entered into an Intellectual Property Purchase Agreement to acquire 100% Tech IP assets of Appnext for a consideration of USD 0.80 million (equivalent to Rs. 58.59 million).

Further, Affle International, in the Share Purchase Agreement, also has right to acquire 28.33% shares of Appnext at the end of three years from the date of completion of the Share Purchase Agreement which has been accounted as per anticipated acquisition method in books of Affle International.

Acquisition of business assets of Discover Tech Limited

On February 17, 2021, the Company through its step-down subsidiary, Affle MEA FZ-LLC, Dubai completed the necessary closing conditions for acquisition of Business Assets of Discover Tech Limited.

iii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013:

The Shareholders at the Annual General Meeting held on September 24, 2020 has authorized the Company to borrow up to Rs. 3,500 million under Section 180 of the Companies Act, 2013.

iv. Raising funds through issuance of equity shares and/ or other securities convertible into or exchangeable into equity shares:

The Board in its meeting held on February 27, 2021, subject to approval of shareholders had given their consent for raising fund for an aggregate amount of up to Rs. 10,800 million to eligible investors including eligible qualified institutional buyers by way of qualified institutions placements ("QIP") or a preferential issue or through any other permissible mode or any combination thereof. The same was approved by the shareholders of the Company at Extra- ordinary General Meeting held on March 24, 2021.

I further report that during the audit period there were no instances of:

a. Right/ Preferential Issue of shares/debentures/ sweat equity, etc.

b. Redemption/buyback of securities.

c. Merger/amalgamation/reconstruction etc.

d. Foreign technical collaborations.

Further post Audit period I report that :

On May 4, 2021, the Company made an allotment of 1,153,845 equity shares of face value Rs. 10/- each at a price of Rs. 5,200/- per equity share, including a premium of Rs. 5,190/- per equity share at a discount of 4.11% on the Floor Price, amounting to Rs. 222.94 per equity share aggregating to Rs. 5,999.99 million to Qualified Institutional Buyers pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

For Kiran Sharma & Co.,
Company Secretaries

Kiran Sharma
Proprietor
FCS No.: 4942
C.P No.: 3116

Date: May 27, 2021
Place: New Delhi

Note: This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this Report.

Annexure A
to the Secretarial Audit Report

To,
The Members
AFFLE (INDIA) LIMITED
102, Wellington Business Park-I,
Off Andheri Kurla Marol,
Andheri East, Mumbai- 400059
Maharashtra

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I 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 the random text basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.

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

For Kiran Sharma & Co.,
Company Secretaries

Kiran Sharma
Proprietor
FCS No.: 4942
C.P No.: 3116
UDIN: F004942C000393022

Date: May 27, 2021
Place: New Delhi

ANNEXURE IV

ANNUAL REPORT ON CSR ACTIVITIES

1. The focus of the Company's CSR initiatives is on the all-round development of the communities located mostly in rural and remote areas in and around the Company's Business office.

Company's focus Areas/Activities: -

a. Education

i. To undertake, organize and affiliate at different places for undertaking community development services such as adult literacy, computer literacy programmer's vocational training and creation of livelihood opportunities, watershed and sanitation.

ii. To establish, maintain and run school and render other kinds of financial or other assistance in kind by way of distribution of books, notebooks, cloths, uniforms, meals stipend, medals and other incentives for the poor and indigent students without any distinction as to caste color, race, creed or sex or for providing funds for pursuing studies by any deserving student.

iii. To provide support to recognized school(s)/ educational institutions which may include inter-alia modernization of labs, improving infrastructure, replacement of furniture & fixture, renovation of classrooms & toilets etc. and providing clean & safe drinking water by installing RO Systems.

b. Healthcare

i. To purchase ambulance/s and other health equipment's for expanding health care activities and open healthcare centers for the public at large at different places for the welfare of the society as a whole.

ii. To establish dispensary, hospital for providing for quality healthcare services including emergency healthcare services.

iii. To support various medical initiatives aimed at reducing mortality rate of children.

iv. To undertake other initiatives for eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.

c. Environment

i. Support a precautionary approach to environmental challenges and work under framework/policies such as IT E-Waste Policy.

ii. Tree plantation at and across the plant and in front of the factory area in approved public land to create forest / green belt.

iii. Undertake initiative to promote greater environmental responsibility.

iv. To create awareness of cleaner, greener environment and global warming issues at schools and also at villages from the surrounding region.

v. Other initiatives for ensuring environmental sustainability.

d. Community Service

i. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizen and measures for reducing inequalities faced by socially and economically backward groups.

2. Composition of the CSR Committee

Ms. Sumit Mamak Chadha - Chairperson
Mr. Anuj Khanna Sohum - Member
Ms. Mei Theng Leong - Member

3. Average net profit of the Company for last three financial years: Rs. 270.54 million

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): Rs. 5.41 million

5. Details of CSR spent during the financial year.

a. Total amount to be spent for the financial year: Rs. 5.41 million

b. Amount unspent, if any: Nil

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

SL No.	CSR project or activity identified	Sector in which Project is covered	Projects or programs 1) Local area or (2) Specify the State and projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs)	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on projects or programs 2) Over heads (in Rs)	Cumulative expenditure up to the reporting period (in Rs)	Amount spent: Direct or through implementing agency
1	Saajha	Education	1.Delhi 2.Hubli, Karnataka 3.Khunti, Jharkhand	1,900,000	1,900,000	2,899,100	Direct
2	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Public health emergency or any other kind of emergency	National Fund	1,311,000	1,311,000	3,061,000	Direct
3	Eklavya	Education	Jharsa Village, Gurugram	300,000	300,000	912,000	Direct
4	Shrimad Rajchandra Hospital	Health	Dharampur, Gujarat	1,900,000	1,900,000	1,900,000	Direct
Total				**5,411,000**	**5,411,000**	**8,772,100**	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount.

Not applicable

For and on Behalf of The Board of Directors
Affle (India) Limited

Anuj Khanna Sohum
Chairman, Managing Director
& Chief Executive Director
DIN: 01363666

Date: May 29, 2021
Place: Singapore

ANNEXURE V

PARTICULARS OF EMPLOYEES

[Pursuant to Section 197(12) of the Act read with Rule 5(2) & Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SL No.	Name of the employee	Designation	Remuneration Paid (In Rs. millions)	Educational qualification	Date of Joining	Exp. (yrs.)	Age (yrs.)	Previous employment	Shareholding in the Company
1	Mr. Vipul Kedia	Chief Data & Platforms Officer	10.97	B. Tech, MBA	06-11-2006	16	40	IBM	Nil
2	Mr. Kapil Mohan Bhutani	Chief Financial & Operations Officer	9.75	CA	01-08-2014	25	48	KMG Infotech	Three equity shares
3	Mr. Anuj Kumar	Director, Chief Revenue & Operating Officer	9.43	Post Graduate Diploma in Communication, MICA	04-04-2006	20	43	ESPN STAR SPORTS	One equity share
4	Mr. Viraj Sinh	Managing Partner - International	8.89	MBA	01-03-2012	19	40	Mobimasta	Nil
5	Mr. Ankit Rawal	Director- Business Development	6.39	MBA	17-09-2018	17	39	Greedy Game	Nil
6	Mr. Sujoy Golan	Chief of Marketing & Omnichannel - Platforms	6.33	PGDM	18-05-2020	17	38	Lendingkart	Nil
7	Mr. Tarun Aditya	Associate Director - Data Sciences	5.52	MBA	02-03-2020	15	36	MoEngage	Nil
8	Mr. Rajat Das	Director- Product	4.62	B. Tech	01-09-2018	10	35	Vizury	Nil
9	Mr. Pranesh Sharma	Associate Director - Data Platforms	4.48	PGDBM	16-03-2020	15	38	Y Media Labs	Nil
10	Mr. Ayush Aggarwal	Director - Data Platforms	4.20	B. Tech	01-10-2014	10	32	Mettl	Nil

Note:
1. Mr. Rajat Das is not associated with the Company w.e.f February 1, 2021.
2. Mr. Ayush Aggarwal is not associated with the Company w.e.f March 10, 2021.
4. All the above employees are/were permanent employees in the payroll of the Company.
5. None of the above employee is a relative of any Director of the Company.

ANNEXURE VI

[Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

SL. No.	Name of Director	Designation	Remuneration (Rs.)	Median remuneration of employees (Rs.)	Ratio of remuneration to the median
1	Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	253,200	663,664	0.38
2	Anuj Kumar	Director, Chief Revenue & Operating Officer	9,431,403		14.21
3	Mei Theng Leong	Non-Executive Director	-		-
4	Bijynath	Independent Director	1,350,000		2.03
5	Sumit Mamak Chadha	Independent Director	1,620,000		2.44
6	Vivek Narayan Gour	Independent Director	1,170,000		1.76

Note:
1. Ms. MeiTheng Leong do not receive any payment as Non-Executive Director of the Company
2. Independent Directors receive only sitting fees for Board and Committee meetings.

II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

SL No.	Name	Designation	Remuneration in current year 2020-21 (Rs.)	Remuneration in previous year 2019-20 (Rs.)	% increase
1	Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	253,200	253,200	-
2	Anuj Kumar	Director, Chief Revenue & Operating Officer	9,431,403	11,627,546	- 18.89
3	Kapil Mohan Bhutani	Chief Financial & Operations Officer	9,749,998	9,300,000	4.84
4	Mei Theng Leong	Non-Executive Director	-	-	-
5	Bijynath	Independent Director	1,350,000	720,000	87.50
6	Sumit Mamak Chadha	Independent Director	1,620,000	1,350,000	20.00
7	Vivek Narayan Gour	Independent Director	1,170,000	1,080,000	8.44
8	Parmita Choudhury	Company Secretary	886,998	657,781	34.85

III. The percentage increase in the median remuneration of employees on the rolls of the Company in the financial year:

Median Remuneration in previous year (Rs.)	Median Remuneration in current year (Rs.)	% increase
657,283	663,664	0.97

IV. The number of permanent employees on the rolls of the Company (On a Standalone basis):

As on March 31, 2021	As on March 31, 2020
275	238

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:

S. No.	Particulars	Average % increase
1.	Increase in salary of Key Managerial Personnel	3.4
2.	Increase in salary of employee (other than Key Managerial Personnel)	7.00

Vi. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Affle (India) Limited ("the Company") is a value-driven organisation with a purpose to establish a long-standing, trust-driven relationship with shareholders, employees, customers, suppliers and all other stakeholders. The Company strives to ensure that our performance is driven by utmost integrity and transparency. In pursuit of this objective, the policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value.

Board Structure

The Board comprises of leaders, who provide strategic direction and guidance to the management. The Board composition comprised of six Directors consisting of one Executive and Promoter Director, one Executive non-Promoter Director, one Non-Executive and non-Promoter Director and three Non-Executive and Independent Directors, including two Woman Directors as at the year ended March 31, 2021, in accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") and Companies Act, 2013.

Key information of Directors

Name of the Director	Director Identification Number (DIN)	Designation	Age	Shareholding as on March 31, 2021
Mr. Anuj Khanna Sohum	01363666	Executive Director	43	32 equity shares
Mr. Anuj Kumar	01400273	Executive Director	43	1 equity share
Ms. Mei Theng Leong	08163996	Non-Executive & Non Independent Director	44	-
Mr. Bijynath	08160918	Non-Executive - Independent Director	55	-
Ms. Sumit Mamak Chadha	05207581	Non-Executive - Independent Director	56	-
Mr. Vivek Narayan Gour	00254383	Non-Executive - Independent Director	58	2000 equity shares

INFORMATION OF CHAIRMANSHIP/ DIRECTORSHIP AND POSITION HELD IN COMMITTEES OF OTHER COMPANIES AS ON MARCH 31, 2021

Name of the Director	Chairmanship/ Directorship in other Indian Companies		Position held in Committees (only Audit and Stakeholders' Relationship Committee) of the Board of other Public Limited Companies		Directorship in other Listed entities	Category of Directorship
	As Chairperson	As Director	As Chairperson	As Director		
Mr. Anuj Khanna Sohum	-	-	-	-	-	-
Mr. Anuj Kumar	-	-	-	-	-	-
Ms. Mei Theng Leong	-	-	-	-	-	-
Mr. Bijynath	-	-	-	-	-	-
Ms. Sumit Mamak Chadha	-	-	-	-	-	-
Mr. Vivek Narayan Gour	-	4	5	5	Indiamart Intermesh Limited	Independent Director
					Cyient Limited	Independent Director

The Board Members are not related to each other. The number of Directorships held by Executive, Non-Executive and Independent Directors are within the permissible limits under Listing Regulations and Companies Act, 2013. Directors have provided necessary disclosures regarding change in Committee positions, if any, during the year. Further, none of the Directors is a Member of more than 10 Committees or Chairperson of more than 5 Committees (only Audit committee and Stakeholders' Relationship Committee) across all Public Limited Companies during the year.

CHANGE IN COMPOSITION OF BOARD

During the year under review, the following changes in the Board of Directors of the Company have been effective from June 1, 2020:

1. Re-appointment of Mr. Bijynath (DIN: 08160918), Ms. Sumit Mamak Chadha (DIN: 05207581) and Mr. Vivek Narayan Gour (DIN: 00254383), as Independent Director of the Company for a term of 5 consecutive years.

2. Cessation of tenure of Mr. Naresh Chand Gupta (DIN: 00172311) and Mr. Sudhir Mohanlal Jatia (DIN: 00031969) as Independent Director.

3. Resignation of Mr. Charles Yong Jien Foong (DIN: 08160891) and Mr. Kapil Mohan Bhutani (DIN: 00554760) as Executive Director.

INDEPENDENT DIRECTORS

The Board comprises of three Independent Directors as on March 31, 2021. The Company had issued formal letter of re-appointment to its Independent Directors. The terms and conditions of draft appointment letter is published on the website of the Company.

The tenure of Independent Directors in accordance with the Companies Act, 2013 and Listing Regulations is as follows:

Name of Independent Director	Tenure
Mr. Bijynath	June 1, 2020 to May 31, 2025
Ms. Sumit Mamak Chadha	June 1, 2020 to May 31, 2025
Mr. Vivek Narayan Gour	June 1, 2020 to May 31, 2025

The Independent Directors fulfill the conditions specified in the Listing regulations and that of Companies Act, 2013 and are independent of the management.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Independent Directors are familiarised with the Company's business model through presentations in the Board Meetings. Interactive sessions with management team in Board Meetings also enables better understanding of business strategy and performance. The roles, rights and responsibilities of Independent Directors are also updated through discussion in Board Meetings.

Details of familiarisation programme imparted to the Independent Directors during FY2020-21 are available on the website of the Company at https://affle.com/images/pdf/new/Policy%20on%20Familiarization%20Program%20for%20Independent%20Directors.pdf

BOARD DIVERSITY POLICY

The Board Diversity Policy of the Company is formulated to assure that the Board is fully diversified and comprises of an ideal combination of Executive and Non-Executive Directors, including Independent Directors, with diverse backgrounds. The objective of this policy is to recognize and embrace the benefits of having a diverse Board which possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company.

In terms of Listing Regulations, the Company identified the following list of core skills/expertise/competencies as is required in the context of the Company's business for it to function effectively and those which are actually available with the Board:

Skills/Expertise/Competencies	Details
Business/Domain expertise	Ability to understand the current drivers of innovation in the information technology market.
Leadership	Leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management.
Financial Knowledge	Ability to analyse financial statements and contribute to strategic financial planning and efficient use of financial resource.
Board Service and Governance	Board member of a public Company to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Diversity	Representation of gender, ethnic, geographic, cultural perspectives that expand the Board's understanding of the needs and viewpoints of the Company's customers, partners, employees, governments, and other stakeholders worldwide.

Areas of Expertise of Board members

Name of Director	Area of Expertise	Name of Director	Area of Expertise
Mr. Anuj Khanna Sohum	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	Mr. Bijynath	• Leadership • Diversity • Board Service and Governance
Mr. Anuj Kumar	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	Ms. Sumit Mamak Chadha	• Leadership • Financial Knowledge • Diversity
Ms. Mei Theng Leong	• Business/Domain expertise • Leadership • Financial Knowledge • Diversity	Mr. Vivek Narayan Gour	• Leadership • Financial Knowledge • Diversity • Board Service and Governance

Profile of Board members are available on the website of the Company at https://www.affle.com.

BOARD MEETINGS

The Board met 9 (Nine) times during the financial year ended March 31, 2021 on May 30, 2020, June 6, 2020, June 27, 2020, August 8, 2020, August 29, 2020, October 10, 2020, November 7, 2020, February 6, 2021 and February 27, 2021.

The details regarding attendance of Directors in the above Board Meetings are as follows:

Name	Designation/Category	No. of Board Meetings held during the tenure	No. of Board Meetings attended
Mr. Anuj Khanna Sohum	Chairman, Managing Director & Chief Executive Officer	9	9
Mr. Anuj Kumar	Executive Director	9	9
Mr. Kapil Mohan Bhutani	Executive Director (Resigned as Director w.e.f June 1, 2020)	1	1
Mr. Charles Yong Jien Foong	Executive Director (Resigned as Director w.e.f June 1, 2020)	1	1
Ms. Mei Theng Leong	Non-Executive Non-Independent Director	9	9
Mr. Bijynath	Non-Executive and Independent Director	9	9
Mr. Naresh Chand Gupta	Non-Executive and Independent Director (Ceased to be a Director w.e.f June 1, 2020)	1	1
Mr. Sudhir Mohanlal Jatia	Non-Executive and Independent Director (Ceased to be a Director w.e.f June 1, 2020)	1	1
Ms. Sumit Mamak Chadha	Non-Executive and Independent Director	9	9
Mr. Vivek Narayan Gour	Non-Executive and Independent Director	9	8

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

The Company has constituted an Audit Committee in accordance with Section 177 of Companies Act, 2013, and Listing Regulations.

Roles, responsibilities and the terms of reference of the Audit Committee:

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(d) Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's responsibility statement to be included in the Board of Directors' report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
(ii) Changes, if any, in accounting policies and practices and reasons for the same;
(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
(iv) Significant adjustments made in the financial statements arising out of audit findings;
(v) Compliance with listing and other legal requirements relating to financial statements;
(vi) Disclosure of any related party transactions; and
(vii) Modified opinion(s) in the draft audit report.

(e) Review, with the management, the quarterly financial statements before submission to the Board of Directors for their approval.
(f) Review, 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to our Board of Directors to take up steps in this matter;
(g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
(h) Approve or subsequently modify transactions of the Company with related parties;
(i) Make recommendations to the Board in case of non-approval of transactions other than those referred to in section 188 of the companies act, 2013;
(j) Scrutinize inter-corporate loans and investments;
(k) Valuation of undertakings or assets of the Company, wherever it is necessary;
(l) Evaluate internal financial controls and risk management systems;
(m) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(n) Review 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;
(o) Discuss with internal auditors of any significant findings and follow up there on;
(p) Review 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;
(q) Discuss 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;
(r) To look 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;
(s) To review the functioning of the whistle blower mechanism;
(t) Approve the appointment of the chief financial officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;
(u) Oversee the vigil mechanism established by the Company and the Chairman of audit Committee shall directly hear grievances of victimization of employees and Directors, who use vigil mechanism to report genuine concerns; and
(v) Carry 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 of Directors of the Company or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.
(w) To consider and comment on rationale, cost-benefits and impact of scheme involving merger, demerger, amalgamation etc. on the Company and its shareholders.

The members of the Audit Committee are as follows:

- Mr. Vivek Narayan Gour (Independent Director) - Chairman
- Ms. Sumit Mamak Chadha (Independent Director) - Member
- Ms. Mei Theng Leong (Non-Executive Director) - Member

The Audit Committee met four times during the year on May 30, 2020, August 8, 2020, November 7, 2020 and February 6, 2021.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Vivek Narayan Gour	Chairman, Independent Director	4	3
Mr. Naresh Chand Gupta	Member, Independent Director	1	1
Ms. Sumit Mamak Chadha	Member, Independent Director	4	4
Ms. Mei Theng Leong	Member, Independent Director	3	3

NOMINATION & REMUNERATION COMMITTEE

The Company has constituted Nomination & Remuneration Committee in accordance with Section 178 of Companies Act, 2013 and Listing Regulations.

Roles, responsibilities and the terms of reference of the Nomination and Remuneration Committee:

(a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the nomination and remuneration committee or by an independent external agency and review its implementation and compliance (including that of Independent Directors);
(b) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
(c) Formulate criteria for evaluation of performance of Independent Directors and the Board;
(d) Devise a policy on diversity of the Board;
(e) Determine whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors;
(f) Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees; and
(g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The members of the Nomination & Remuneration Committee are as follows:

- Mr. Bijynath (Independent Director) - Chairman
- Ms. Sumit Mamak Chadha (Independent Director) - Member
- Ms. Mei Theng Leong (Non-Executive Director) - Member

The Nomination & Remuneration Committee met twice during the year on May 30, 2020 and October 10, 2020.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Bijynath	Chairman, Independent Director	2	2
Mr. Sudhir Mohanlal Jatia	Member, Independent Director	1	1
Ms. Sumit Mamak Chadha	Member, Independent Director	2	2
Ms. Mei Theng Leong	Member, Non- Executive Director	1	1

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders Relationship Committee in accordance with Listing Regulations.

Roles, responsibilities and the terms of reference of the Committee:

(a) redressal of all security holders' and investors' grievances including complaints related to general meetings, transfer/ transmission of shares, non- receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, issue of new/ duplicate certificates, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;
(b) giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
(c) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services;
(d) review of adherence to the service standards adopted by our Company in respect of various services being rendered by the registrar and share transfer agent;
(e) review of the various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company; and
(f) carrying out such other functions as may be specified by the Board from time to time or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

The members of the Stakeholders Relationship Committee are as follows:

- Ms. Mei Theng Leong (Non-Executive Director) - Chairperson
- Mr. Bijynath (Independent Director) - Member
- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Member

The Stakeholders Relationship Committee met twice during the year on June 27, 2020 and March 24, 2021.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Ms. Mei Theng Leong	Chairperson, Non-Executive Director	2	2
Mr. Bijynath	Member, Independent Director	2	2
Mr. Anuj Khanna Sohum	Member, Executive Director	2	2

RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee in accordance Companies Act, 2013 and Listing Regulations.

Roles, responsibilities and the terms of reference of the Risk Management Committee:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
(b) Measures for risk mitigation including systems and processes for internal control of dentified risks.
(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall also coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of director.

The Risk Management Committee was re-constituted on May 29, 2021 with following members:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Anuj Kumar (Executive Director) - Member
- Mr. Vivek Narayan Gour (Independent Director) - Member

Risk Management Committee met once during the year on October 10, 2020.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Anuj Khanna Sohum	Chairman, Executive Director	1	1
Mr. Anuj Kumar	Member, Executive Director	1	1
Ms. Mei Theng Leong	Member, Non-Executive Director	1	1

CORPORATE SOCIAL RESPONSIBILITY COMMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013.

Roles, responsibilities and the terms of reference of the CSR Committee:

(a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
(b) to recommend the amount of expenditure to be incurred on the activities referred to in (a);
(c) to monitor the Corporate Social Responsibility Policy of the Company from time to time;
(d) to do such other acts, deeds and things as may be required to comply with the applicable laws; and
(e) to perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

The members of the CSR Committee are as follows:

- Ms. Sumit Mamak Chadha (Independent Director) - Chairperson
- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Member
- Ms. Mei Theng Leong (Non-Executive Director) - Member

The CSR Committee met once during the year on February 27, 2021.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Ms. Sumit Mamak Chadha	Chairperson, Independent Director	1	1
Mr. Anuj Khanna Sohum	Member, Executive Director	1	1
Ms. Mei Theng Leong	Member, Non-Executive Director	1	1

INVESTMENT COMMITTEE – INTERNATIONAL INVESTMENTS

The Company has constituted an Investment Committee-International Investment with the following members:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Bijynath (Independent Director) - Member
- Ms. Mei Theng Leong (Non-Executive Director) - Member

The role of the Investment Committee – International Investments is as follows:

a) To review investment proposals and approve Letter of Intent/Memorandum of Understanding (MOU) for potential investments, merger & acquisitions and any other investments;
b) To present the key due diligence findings, if any together with management report to Board of Directors for final agreement approval; and
c) To perform such other activities as may be delegated by the Board.

The Committee met thrice during the year on June 8, 2020, October 6, 2020 and March 16, 2021.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Anuj Khanna Sohum	Chairman, Executive Director	3	3
Mr. Bijynath	Member, Independent Director	3	3
Ms. Mei Theng Leong	Member, Non-Executive Director	3	3

INVESTMENT COMMITTEE – DOMESTIC INVESTMENTS

The Company has constituted an Investment Committee-Domestic Investment with the following members:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Vivek Narayan Gour (Independent Director) - Member
- Mr. Kapil Mohan Bhutani (Chief Financial & Operations Officer) - Member

The role of the Investment Committee – Domestic Investments is as follows:

(a) To review investment proposals and approve Letter of Intent/Memorandum of Understanding (MOU) for potential investments, merger & acquisitions and any other investments;
(b) To present the key due diligence findings, if any together with management report to Board of Directors for final agreement approval; and
(c) To perform such other activities as may be delegated by the Board.

The Committee met once during the year on August 10, 2020.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Mr. Anuj Khanna Sohum	Chairman, Executive Director	1	1
Mr. Vivek Narayan Gour	Member, Independent Director	1	1
Mr. Kapil Mohan Bhutani	Member, Chief Financial & Operations Officer	1	1

BUSINESS RESPONSIBILITY REPORTING COMMITTEE

The Company has constituted a Business Responsibility Reporting Committee with the following members:

- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Chairman
- Mr. Kapil Mohan Bhutani (Chief Financial & Operations Officer) - Member
- Ms. Mei Theng Leong (Non-Executive Director) - Member

The role of the Business Responsibility Reporting Committee is as follows:

(a) To formulate Business Responsibility Policy of the Company and recommend to the Board;
(b) To implement and monitor Business Responsibility policies/initiatives and assess the Business Responsibility performance of the Company; and
(c) To perform such other activities as may be delegated by the Board.

FUND RAISING COMMITTEE

The Company has constituted a Fund Raising Committee with the following members:

- Ms. Mei Theng Leong (Non-Executive Director) - Chairperson
- Mr. Bijynath (Independent Director) - Member
- Mr. Anuj Khanna Sohum (Chairman, Managing Director & CEO) - Member

Roles, responsibilities and the terms of reference of the Fund Raising Committee:

(a) Decide the date for the opening and closing of the issue of securities, including determining the form and manner of the issue, number of Equity Shares and/ or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise) to be allotted, determining the relevant date, issue price, face value and execution of various transaction documents (such as placement, marketing and depository agreements), undertakings, deeds and declarations; giving or authorizing the giving by the concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

(b) Finalization of the allotment of the securities on the basis of the subscriptions received and approving the allotment of the Equity Shares and/ or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise);

(c) Finalization and arrangement for the submission of the preliminary and final placement document(s) and any amendments and supplements thereto, with the Stock Exchanges or any other applicable government and regulatory authorities, institutions or bodies, as may be required;

(d) Approval of the preliminary and final placement document(s) (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead manager(s)/ advisor(s), in accordance with all applicable rules, regulations and guidelines;

(e) Entering into any arrangement for managing and marketing the proposed offering of securities and to appoint, in its absolute discretion, managers (including lead manager(s)), investment banker(s), merchant banker(s), underwriter(s), guarantor(s), financial and/or legal advisor(s), depositories, custodians, listing agents, escrow bank(s)/agent(s) and other agents as may be required in order to facilitate or consummate the issue/ offering, and sign all applications, filings, deeds, documents, memorandum of understanding and agreements with any such entities and to pay any fees, commissions, remunerations, and expenses in connection with the proposed Issue;

(f) Approval of the transaction agreements including the placement agreement, escrow agreement, listing application, engagement letter(s), memorandum of understanding and any other agreements or documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;

(g) Authorisation of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the securities;

(h) Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the securities;

(i) Seeking the listing of the securities on the Stock Exchanges, and submitting the listing application to the Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing;

(j) Determining the form, terms and timing of the issue(s)/ offering(s), issue price (including discount, if any), the quantum of securities to be issued, including selection of eligible QIBs to whom Equity Shares and/ or other securities convertible into or exchangeable into Equity Shares (including warrants or otherwise) are proposed to be offered, issued and allotted and matters related thereto, as per applicable laws, regulations or guidelines;

(k) To open one or more bank accounts in the name of the Company as may be required in connection with the aforesaid issue, including with any escrow bank;

(l) To settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotments and utilization of the issue proceeds as it may, in its absolute discretion deem fit, without being required to seek any further consent or approval of the member 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, and accordingly any such action, decision or direction of the Board shall be binding on all the members of the Company;

(m) To file make appropriate regulatory filings as required under applicable law with the authorized dealer, RBI or any other regulatory authority with respect to the issuance of the securities;

(n) To affix the Common Seal of the Company on any agreement(s)/ document(s) as may be required to be executed in connection with the above, in accordance with the provisions of applicable law;

(o) To do all such acts, deeds, matters and things as the Fund Raising Committee may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid and to settle any question, query, doubt or difficulty that may arise in this regard including the power to allot under subscribed portion, if any, in such manner and to such persons(s) as the Board, may deem fit and proper in its absolute discretion to be most beneficial to the Company; and

(p) delegating all or any of the powers herein conferred, to any one or more Directors or officers of the Company in accordance with the Companies Act.

The Committee met once during the year on March 2, 2021.

The details regarding attendance of members in the above meetings are as follows:

Name	Designation/Category	No. of Meetings held during the tenure	No. of Meetings attended
Ms. Mei Theng Leong	Chairperson, Non-Executive Director	1	1
Mr. Anuj Khanna Sohum	Member, Executive Director	1	1
Mr. Bijynath	Member, Independent Director	1	1

REMUNERATION OF DIRECTORS

Remuneration of Executive Directors

(In Rs. million)

	Mr. Anuj Khanna Sohum	Mr. Anuj Kumar
Salary paid during FY2020-21	0.25	9.43
Basic Salary	0.25	8.81
Variable	Nil	0.62
Sitting Fee & Commission	Nil	Nil
Stock Option	Not applicable	Not applicable

Remuneration of Non- Executive Independent Directors

(In Rs. million)

	Mr. Bijynath	Ms. Sumit Mamak Chadha	Mr. Vivek Narayan Gour
Fee for attending Board Meetings	0.81	0.81	0.72
Fee for attending Committee Meetings	0.36	0.63	0.27
Independent Directors Meetings	0.18	0.18	0.18
Total	**1.35**	**1.62**	**1.17**

The Company does not pay any commission to the Non-Executive and Independent Directors. Sitting is paid only to Non-Executive Independent Directors as approved by the Board of Directors from time to time.

GENERAL MEETINGS AND POSTAL BALLOT

Annual General Meetings of the previous three years:

	2017-18	2018-19	2019-20
Day, date & time	Tuesday, June 26, 2018 at 1 p.m.	Wednesday, July 10, 2019 at 10:15 a.m.	Thursday, September 24, 2020 at 10 a.m.
Venue	402, 4th Floor, Akruti Orion, Shraddhanand Road, Vile Parle (East) Mumbai – 400057	Trident Hotel, C 56, G Block, Bandra Kurla Complex, Mumbai, Maharashtra 400098	Meeting was held through Video Conferencing. The Registered office of the Company was the deemed venue
Details of Special Resolution passed	1. Conversion of Company from Private to Public 2. Alteration of Articles of Association of the Company	Approval of Managerial remuneration	1. Re-appointment of Mr. Bijynath as Independent Director of the Company 2. Re-appointment of Ms. Sumit Mamak Chadha as Independent Director of the Company 3. Re-appointment of Mr. Vivek Narayan Gour as Independent Director of the Company 4. Authorisation under Section 186 of the Companies Act, 2013 5. Authorisation under Section 180 of the Companies Act, 2013

Extraordinary General Meeting

During the year under review, an Extraordinary General Meeting was held on March 24, 2021 through video conference wherein special resolution with regard to approval for raising of funds and issuance of securities by the Company was passed.

Postal Ballot

No resolution was passed by the Company through Postal Ballot during the previous three years.

MEANS OF COMMUNICATION

Website

The Company maintains an active website i.e., www.affle.com wherein all the information relevant for the Shareholders are displayed. Copy of the Press releases, Quarterly results, presentations to Financial Analysts and Institutional Investors, Policies of the Company, Earnings conference call transcripts, Shareholding pattern, Stock Exchange disclosures as required under Regulation 46 of Listing Regulations are made available on the website.

Financial Results and Newspaper Publications

Quarterly Financial Results were published in English and Regional (Marathi) newspapers, i.e. Financial Express and Navakal. The Financial Results for the quarter ended June 30, 2020 was published on August 10, 2020, for half year and quarter ended September 30, 2020 was published on November 9, 2020 and for quarter and nine months period ended December 31, 2020 was published on February 8, 2021.

The management participates in the press call and earnings call every quarter, after the announcement of results. The transcripts of the quarterly earnings calls with Analysts have also been published on its website.

Stock Exchange Filings

The Company also uploads its disclosures and announcements under the Listing Regulations at the link, https://neaps.nseindia.com/NEWLISTINGCORP/ to NSE Electronic Application Processing System (NEAPS) and to BSE Online Listing Centre at the link, http://listing.bseindia.com/ During the year, the Company also submitted quarterly compliance report on Corporate Governance to the stock exchanges within 15 days from the close of quarter as per the formats given under the Listing Regulations.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The Investors can raise complaints in a centralized web-based complaints redress system called "Scores". The Company uploads the action taken report on the complaints raised by the Shareholders on "Scores", which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the shareholder and SEBI.

Details of complaints/requests etc., received and resolved during the FY2020-21 are as below:

Source	Received during the period from 01.04.2020 to 31.03.2021	Resolved during the period from 01.04.2020 to 31.03.2021	Pending as on 31.03.2021
SEBI	0	0	0
Stock Exchange(s)	2	1	1
Investors' Associations/ Others	0	0	0
Direct	0	0	0
Total	2	1	1

GENERAL SHAREHOLDERS' INFORMATION

Corporate Identity Number (CIN)

The Corporate Identity Number (CIN) allotted by the Ministry of Corporate Affairs, Government of India, is L65990MH1994PLC080451.

Registered Office

102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra.

Communication Address

P 659, 6th floor, Tower C, JMD Megapolis, Sohna Road, Sector - 48, Gurugram-122018, Haryana.
Phone: 0124-4992914 Website: https://www.affle.com.

Listing on Stock Exchanges

The Company's equity shares are listed on the following Stock Exchanges:

- BSE Limited
- National Stock Exchange of India Limited

Listing fees for the FY2020-21 has been paid to both BSE Limited and National Stock Exchange of India Limited.

International Securities Identification Number (ISIN)

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. The Company's ISIN number for its equity shares is INE00WC01019.

STOCK CODE

Stock Exchange	Scrip ID/Code
BSE Limited	542752
National Stock Exchange of India Limited	AFFLE

ANNUAL GENERAL MEETING

The schedule of Annual General Meeting for the FY2020-21 of the Company shall be intimated to shareholders in due course.

FINANCIAL YEAR

Financial Year of the Company is from April 1, 2020 to March 31, 2021.

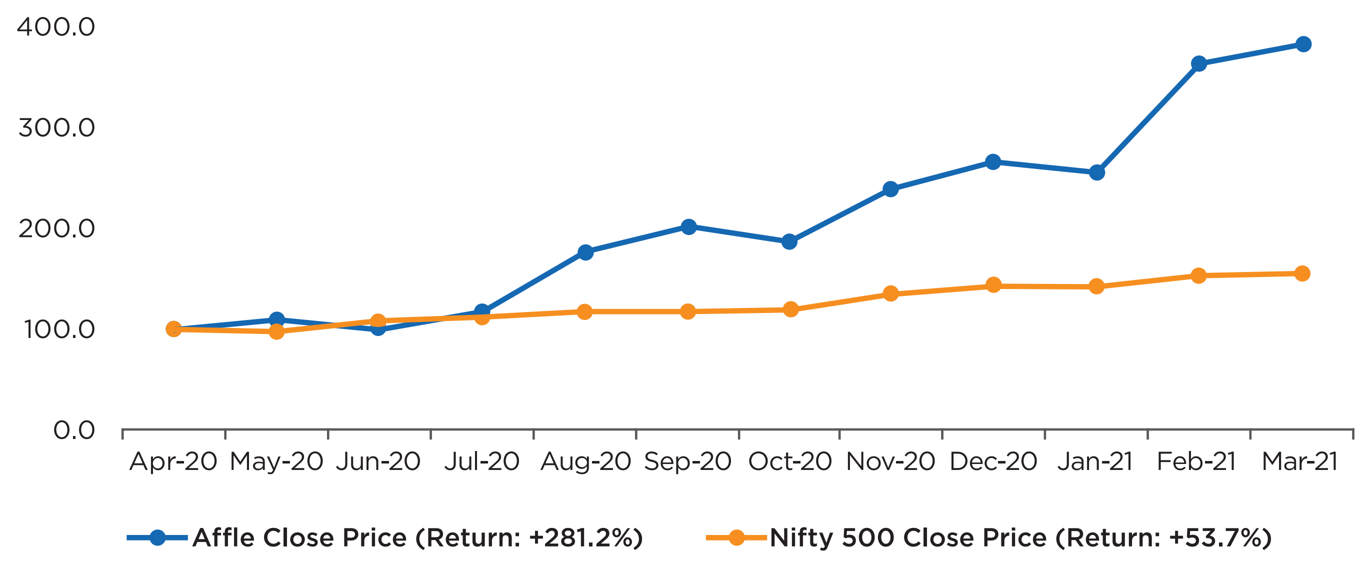
MARKET PRICE DATA: HIGH, LOW DURING EACH MONTH IN THE FY2020-21

The Company's monthly high and low share price data as well as the total volume during each month in the FY2020-21 on the BSE Limited and National Stock Exchange of India Limited are as mentioned below:

Month	BSE Limited			National Stock Exchange of India Limited		
	High	Low	Total Volume	High	Low	Total Volume
April 2020	1,545.00	930.00	108,732	1,540.00	930.85	540,127
May 2020	1,660.00	1,255.00	49,186	1,630.00	1,259.00	574,170
June 2020	1,591.40	1,425.00	83,111	1,583.00	1,411.55	1,027,290
July 2020	1,944.85	1,438.60	155,156	1,945.30	1,440.05	1,465,553
August 2020	3,083.00	1,663.10	413,293	3,079.00	1,681.80	3,014,551
September 2020	3,143.00	2,452.45	259,932	3,131.00	2,452.00	1,793,708
October 2020	2,944.00	2,506.05	99,997	2,950.00	2,502.20	814,543
November 2020	3,467.90	2,599.40	217,238	3,468.45	2,601.00	1,886,896
December 2020	4,068.45	3,525.45	266,410	4,072.45	3,476.15	3,787,189
January 2021	4,062.95	3,530.00	137,822	4,063.30	3,527.05	1,130,365
February 2021	5,616.70	3,630.00	584,917	5,614.50	3,627.85	3,549,279
March 2021	6,287.00	5,100.00	141,257	6,285.65	5,101.25	1,951,167

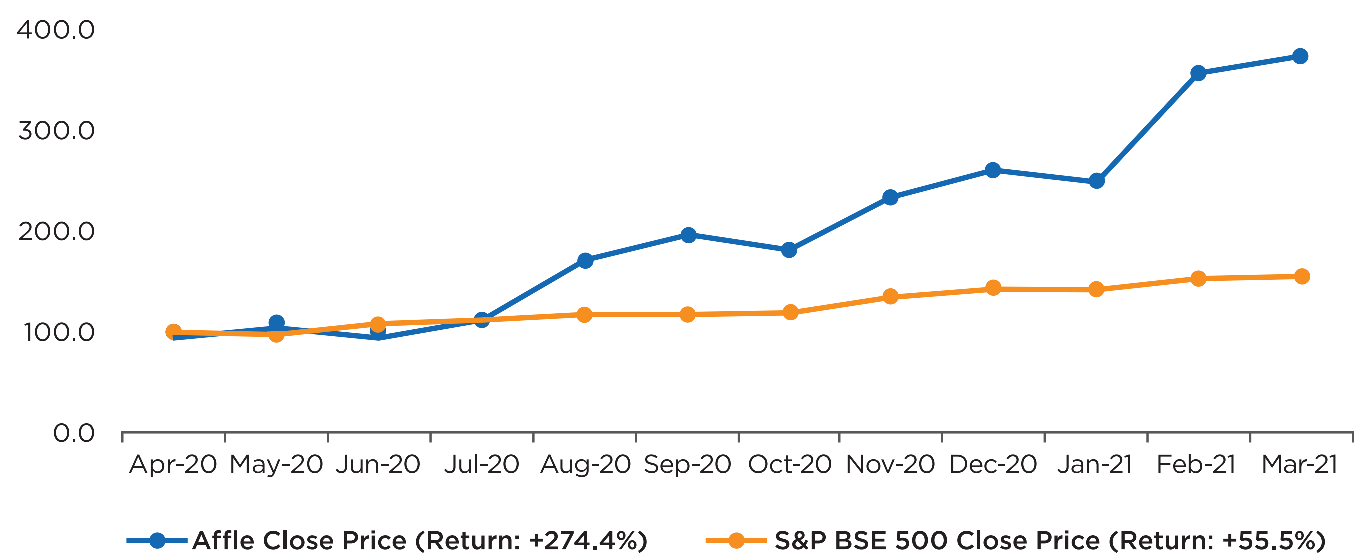
Stock Market Data

Affle Share Price Performance vs. Nifty 500
(Share Price indexed to 100)



**Close price as of last trading day of the month*

Affle Share Price Performance vs. S&P BSE 500
(Share Price indexed to 100)



**Close price as of last trading day of the month*

DISTRIBUTION OF SHAREHOLDING

S. No.	No. of shares	No. of shareholders	% of shareholders	Amount (Rs.)	% of Amount
1.	1-5000	87,864	99.38	13,931,010.00	5.46
2.	5001- 10000	243	0.27	1,771,470.00	0.69
3.	10001- 20000	104	0.12	1,469,050.00	0.58
4.	20001- 30000	43	0.05	1,065,310.00	0.42
5.	30001- 40000	21	0.02	726,870.00	0.29
6.	40001- 50000	12	0.01	537,030.00	0.21
7.	50001- 100000	40	0.05	3,006,020.00	1.18
8.	100001 & Above	89	0.10	232,456,910.00	91.17
	Total	**88,416**	**100.00**	**254,963,670.00**	**100.00**

SHAREHOLDING PATTERN AS ON MARCH 31, 2021

S. No.	Category of Shareholder	No. of Shareholders	No. of fully paid up equity shares held	Total No. of Shares Held	Shareholding as a % of total no of shares
1.	Promoter & Promoter Group	3	15,961,036	15,961,036	62.60
2.	Public	88,413	9,535,331	9,535,331	37.40
3.	Non Promoter-Non Public	0	0	0	0
	(i) Shares underlying DRs	0	0	0	0
	(ii) Shares held by Employees Trusts	0	0	0	0
	Total	**88,416**	**25,496,367**	**25,496,367**	**100.00**

TOP TEN SHAREHOLDERS OF THE COMPANY AS ON MARCH 31, 2021

S. No.	Name of Shareholder	No. of shares	% of total shares of the Company
1.	Affle Holdings Pte. Ltd	11,943,093	46.84
2.	Affle Global Pte. Ltd	4,017,911	15.75
3.	Malabar India Fund Limited	1,214,037	4.76
4.	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	483,389	1.90
5.	Aberdeen Standard Asia Focus PLC	434,297	1.70
6.	Nomura India Investment Fund Mother Fund	392,138	1.54
7.	L and T Mutual Fund Trustee Ltd- L and T Mid Cap Fund	305,256	1.20
8.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Advantage Fund	302,991	1.19
9.	RBC Asia Pacific Ex-Japan Equity Fund	250,356	0.98
10.	The Nomura Trust and Banking Co., Ltd As The Trustee Of Nomura India Stock Mother Fund	220,848	0.87

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are held with both the Depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). 25,496,364 of the Company's shares are held in electronic/ demat form as on March 31, 2021. As on March 31, 2021, the number of shares held in dematerialized and physical mode are as under:

No. of shares in dematerialized form in CDSL	899,216
No. of shares in dematerialized form in NSDL	24,597,148
No. of shares in Physical	3
Total no. of shares	**25,496,367**

DISCLOSURE IN RESPECT OF EQUITY SHARES TRANSFERRED IN THE UNCLAIMED SUSPENSE ACCOUNT

As on March 31, 2021 there is no balance outstanding in the unclaimed suspense account of the Company.

OUTSTANDING GDRS/ADRS/WARRANTS

The Company has not issued GDRs/ ADRs/ Warrants as on March 31, 2021.

DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

The Company has made the initial public offering in August 2019. Details of utilization of funds are available in the financial statements.

REGISTRAR AND SHARE TRANSFER AGENT

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited). The communication address of the Registrar and Share Transfer Agent is given hereunder:

Karvy Selenium Tower B Plot 31-32
Gachibowli Financial District
Nanakramguda Hyderabad 500 032

CODES/ POLICIES RELATING TO CORPORATE GOVERNANCE

The Board has laid down the following codes/ policies to ensure governance in an ethical manner:

1. Code of Conduct for Directors & Senior Management
2. Policy on Board Diversity
3. Policy on Familiarization Programme for Independent Directors
4. Risk Management Policy
5. Policy on Document Retention
6. Policy on Related Party Transactions
7. Policy on Determination of Materiality of Disclosures
8. Whistle Blower Policy
9. Code of Conduct for Prevention of Insider Trading
10. Dividend Distribution Policy
11. Business Responsibility Policy
12. Nomination & Remuneration Policy
13. Corporate Social Responsibility Policy
14. Policy for determining material subsidiaries

The above codes and policies are also available under investor relations section on the website of the Company at https://www.affle.com.

DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

During the year under review, the Company had not entered into material transaction with any of its related parties.

The Company has made full disclosures of transactions with the related parties as set out in the Financial Statement, forming part of the Annual Report.

All Related Party Transactions are in the ordinary course of business and on arm's length basis and are intended to further the Company's interests.

The Policy on Related Party Transactions may be accessed under investor relations section on the website of the Company https://www.affle.com

WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which employees are free to report fraudulent practices, corruption and breaches of Code of Conduct. Employees may also report any reportable matter directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

PREVENTION OF SEXUAL HARRASSMENT AGAINST WOMEN AT WORKPLACE

The Company is committed towards providing a safe and conducive work environment to the employees of the Company and also have in place, a policy for Prevention of Sexual Harassment of Women at Workplace and an Internal Complaints Committee in accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was pending or was received by the Company during the year under review.

COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The nature of business of the Company does not involve any direct purchase or sale of commodity that imposes risk. The foreign exchange risks are hedged from time to time as required.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code is displayed on the website of the Company. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this Report.

COMPLIANCE CERTIFICATE BY CEO AND CFO

The Compliance Certificate by CEO and CFO are provided on a quarterly basis. The Compliance Certificate as required under the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year is enclosed at the end of this Report.

COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A Certificate on Corporate Governance obtained from Kiran Sharma & Co., Practicing Company Secretary for compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed at the end of this Report.

CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained a certificate from Company Secretary in Practice 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations and is enclosed at the end of this Report.

DISCLOSURE ON ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has prepared financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

AUDITORS' REMUNERATION

The total fees for all services paid by Affle (India) Limited and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part of are as follows:

	(In Rs. million)
Audit fee	20.20
Advisory & certification charges	0.52
Reimbursement of expenses	0.26
Total	**20.98**

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

No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, during the last 3 (three) years, since all applicable requirements were fully complied with.

DISCLOSURE OF COMPLIANCE WITH MANDATORY AND ADOPTION OF DISCRETIONARY REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

Among discretionary requirements, as specified in Part E of Schedule II of Listing Regulations, the Company has adopted the following:

- Reporting of Internal Auditor - The Internal auditor reports directly to the Audit Committee.
- Audit Qualifications – The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the year ended March 31, 2021.

SECRETARIAL AUDIT

During the FY2020-21, Secretarial Audit was conducted as required under the provisions of Section 204 of the Companies Act, 2013. Kiran Sharma & Co., Practicing Company Secretary, Membership Number: 4942;

CP Number: 3116 conducted the audit and the Secretarial Audit Report is attached as **Annexure III** to the Directors' Report.

NON-COMPLIANCE OF REGULATIONS RELATING TO CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IF ANY

The Company is fully compliant with Listing Regulations and there are no such non-compliances.

CEO' S DECLARATION TO COMPLIANCE OF CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management and the same is available under investor relations section on the website of the Company https://www.affle.com.

I confirm that the Company has in respect of financial year ended March 31, 2021, received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Conduct as applicable to them.

Anuj Khanna Sohum
Chairman, Managing Director
& Chief Executive Officer

Date: May 29, 2021
Place: Singapore

CERTIFICATION BY CHIEF EXCECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Anuj Khanna Sohum, Chairman, Managing Director & Chief Executive Officer, and Kapil Mohan Bhutani, Chief Financial & Operations Officer of Affle (India) Limited, to the best of our knowledge and belief, certify that:

a. We have reviewed financial statements and cash flow statement for the year ended on March 31, 2021 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 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 that 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:

   i. Significant changes in internal control over financial reporting during the year;

   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Anuj Khanna Sohum **Chairman, Managing Director** **& Chief Executive Officer**	**Kapil Mohan Bhutani** **Chief Financial &** **Operations Officer**
Place: Singapore Date: May 29, 2021	Place: Gurugram Date: May 29, 2021

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To
Affle (India) Limited
102, Wellington Business Park-I,
Off Andheri Kurla Road, Marol,
Andheri (East), Mumbai – 400059

We have examined all the relevant records for the purpose of certifying of all the conditions of compliance of Corporate Governance by Affle (India) Limited (The Company) having CIN L65990MH1994PLC080451 for the year ended March 31, 2021 under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification, as stipulated under Regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of 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 explanation given to us, and the representations made by the Directors and Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and disclosure Requirements) Regulations for the year ended on March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kiran Sharma & Co.
Company Secretaries

Kiran Sharma
Proprietor
Membership No.: FCS 4942
Certificate of Practice No.: 3116
UDIN: F004942C000378535

Date: May 27, 2021
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
Affle (India) Limited
102, Wellington Business Park-I,
Off Andheri Kurla Road, Marol,
Andheri (East), Mumbai – 400059

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Affle (India) Limited having CIN L65990MH1994PLC080451 and having registered office at 102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059 and (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of Director	DIN	Date of appointment
1.	Mr. Anuj Khanna Sohum	01363666	25/01/2006
2.	Mr. Anuj Kumar	01400273	25/01/2006
3.	Mr. Bijynath	08160918	01/06/2018
4.	Ms. Sumit Mamak Chadha	05207581	01/06/2018
5.	Mr. Vivek Narayan Gour	00254383	01/06/2018
6.	Ms. Mei Theng Leong	08163996	01/06/2018

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kiran Sharma & Co.
Company Secretaries

Kiran Sharma
Membership No.: 4942
Certificate of Practice No.: 3116
UDIN: F004942C000378581

Place: New Delhi
Date: May 27, 2021

BUSINESS RESPONSIBILITY REPORT

This report conforms to the Business Responsibility Reporting (BRR) requirement of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and the National Voluntary guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No	Particulars	
1.	Corporate Identity Number	L65990MH1994PLC080451
2.	Name of the Company	Affle (India) Limited
3.	Registered Address	102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059
4.	Website	https://www.affle.com
5.	E-mail	compliance@affle.com
6.	Financial Year Reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Advertising Technology NIC Code: 9983
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Mobile Advertising
9.	Total number of locations where business activity is undertaken by the Company (a) Number of international Locations (Provide details of major 5) (b) Number of national locations	Our offices in India are located in Gurugram, Mumbai and Bangalore. Our international offices are located at Singapore, Indonesia, UAE, Spain, Israel, Cyprus, US, Argentina and Brazil
10.	Markets served by the Company – Local/ State/National/International	126 countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up capital	Rs. 254.96 million
2.	Total turnover	Rs. 5,583.10 million (On a Consolidated basis) Rs. 2,731.79 million (On a Standalone basis)
3.	Total profit for the year	Rs. 1,350.37 million (On a consolidated basis) Rs. 282.27 million (On a standalone basis)
4.	Total spending on Corporate Social Responsibility (CSR)	Rs. 5.41 million
5.	List of activities in which expenditure in 4 above has been incurred: -	For detailed information relating to list of activities in which expenditure in 4 above has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure-IV to the Directors' Report.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies	Yes
2.	Do the Subsidiary Company/Companies participate in the Business Responsibility initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	The Business Responsibility Policy extends to the international subsidiaries of the Company also, to the extent applicable. For detailed list of subsidiaries, please refer to Form MGT 7 available at https://affle.com/images/pdf/Q4/Annual%20Return%20for%20financial%20year%20ended%20March%2031,%202021.pdf
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] (Rs.)	No

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. **Details of Directors Responsible for Business Responsibility**

   Business Responsibility Reporting (BRR) Committee is responsible for implementation of Business Responsibility Policy.

   BRR Committee is constituted as follows:

   Mr. Anuj Khanna Sohum - Chairman
   Mr. Kapil Mohan Bhutani - Member
   Ms. Mei Theng Leong - Member

Details of the Business Responsibility head

S. No	Particulars	Details
1.	DIN	01363666
2.	Name	Mr. Anuj Khanna Sohum
3.	Designation	Chairman, Managing Director & Chief Executive Officer
4.	Telephone Nos.	0124-4992914
5.	Email Id	compliance@affle.com

2. Principle-wise (as per NVGs) Business Responsibility Policy/policies

S. No	Particulars	Details
P1	**Ethics, Transparency and Accountability**	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	**Sustainable Products and Services**	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	**Employees' well-being**	Businesses should promote the well-being of all employees
P4	**Stakeholder Engagement**	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	**Protection of Human Rights**	Businesses should respect and promote human rights
P6	**Reducing environmental impact**	Business should respect, protect, and make efforts to restore the environment
P7	**Responsible Policy advocacy**	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	**Inclusive growth and equitable development**	Businesses should support inclusive growth and equitable development
P9	**Providing value to customers**	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance to above Principles (Y/N)

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Business Responsibility Policy is based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business as issued by Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The Business Responsibility Policy is approved by the Board.								
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	Y
6.	Indicate the link for the policy to be viewed online?	https://www.affle.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policy has been published on the website of the Company.								
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	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/ policies?	The Whistle Blower Mechanism adopted by the Company, provides employees to report any concerns or grievances pertaining to any unethical behaviour.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Business Responsibility Reporting (BRR) Committee shall periodically evaluate the implementation and execution of this policy.								

3. Governance related to Business Responsibility (BR)

(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 CSR Committee has met once during the FY 2020-21.

(b) Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes Business Responsibility Report in accordance with the SEBI guidelines annually and forms part of this Annual report. This report is available under investor relations section on the website of the Company at https://www.affle.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs / Others?	The Company is committed to acting professionally, fairly and with integrity in all its dealings. The Company has adopted a 'zero-tolerance' approach to bribery and corruption.
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.	Please refer Corporate Governance Report for details relating to shareholders/investor grievances.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	
List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Not Applicable
For each such product, 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?	Not Applicable The nature of services rendered by the Company have very limited impact on environment. Further, the Company does not manufacture/produce any products.
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.	Affle, being in Adtech business, is relatively less resource intensive in terms of material inputs. However, as a responsible corporate entity, the Company endeavours to reduce the environmental impact of its operations by tracking the consumption of resources critically.
Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The nature of Company is service oriented and not material resource intensive and the Company does not procure goods for further processing.
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.	The nature of Company's products is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Company's products. There is negligible waste generation at Company's offices.

Principle 3: Businesses should promote the well-being of all employees	
Please indicate the Total number of employees	385 (including contractual, consultants and on a consolidated basis)
Please indicate the Total number of employees hired on temporary/contractual/casual basis	18 (included in the total of 385 employees above)
Please indicate the Number of permanent women employees	128 (including contractual, consultants and on a consolidated basis)
Please indicate the Number of permanent employees with disabilities	Nil
Do you have an employee association that is recognized by the management?	No
What percentage of your permanent employees is members of this recognized employee association?	Not applicable
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.	Nil
What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Training given to employees of the Company are broadly classified as Technical, Behavioral, Functional, Business and Psychological. • **Technical:** The technical training programs pertained to technical skill development like Programming Languages, Software Development, Cloud Computing, Testing, etc. • **Behavioural:** The behavioural trainings were conducted through external sources for self-development. Some of the notable training programs were on Soft-Skill Development, Leadership and Positive Thinking. • **Functional:** The functional training aimed at the broader development of our employees and included learnings about Digital Marketing, Financial Analysis, etc. • **Business:** Business trainings were conducted for employees to improvise their skills on Strategic Marketing, Business Development, Lead Generation and Account Management. • **Psychological:** Psychological trainings were conducted to help employees develop mental fitness through Mind Fitness and Stress Management, particularly during the pandemic times. With regard to safety, periodic communication and alerts are sent to employees on safety related aspects. In addition, the Company has imparted training to all the employees on Prevention of Sexual Harassment at Workplace.
(a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	100% 100% Not applicable Not applicable

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	
Has the Company mapped its internal and external stakeholders? Yes/No	Yes
Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company is taking initiatives to identify the disadvantaged, vulnerable & marginalized stakeholders and engage with them.
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.	

Principle 5: Businesses should respect and promote human rights	
Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?	As per the Business Responsibility Reporting policy, the Company shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace. This shall also include the communities, consumers and vulnerable / marginalized groups.
How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No incidence of discrimination or human rights violation was received by the Company or was pending investigation as on March 31, 2021.

Principle 6: Business should respect, protect, and make efforts to restore the environment	
Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?	The aspects outlined under this principle are not substantially relevant to the Company given the nature of its business. The Company complies with the applicable environmental regulations in respect of its premises and operations. The Company continuously endeavours to reduce the environmental impacts of its own operations.
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 continuously endeavours to reduce the environmental impacts of its own operations.
Does the Company identify and assess potential environmental risks? Y/N	Though the very nature of the businesses of the Company has limited impact on environment, the Company continuously aims to reduce even the limited impact on the environment by identifying ways to optimize resource consumption in its operations.
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?	Not applicable
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.	Not applicable
Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable
Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.	There was no legal notice received during the year that remain outstanding as on March 31, 2021.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	
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 a member of: • Mobile Marketing Association (MMA) • Internet and Mobile Association of India (IAMAI)
Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No

Principle 8: Businesses should support inclusive growth and equitable development	
Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company has constituted a Corporate Social Responsibility Committee to guide its efforts on CSR initiatives that contribute to inclusive growth and equitable development. For detailed information relating to list of activities in which contribution has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure-IV to the Directors' Report.
Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?	The Company engages with NGOs/other organisations/Trusts to ensure that the Company achieves its vision of promoting inclusive growth.
Have you done any impact assessment of your initiative?	The Company periodically reviews the impact of its initiatives. The CSR Committee at the end of the year understand the efficacy of the programme in terms of delivery of desired benefits to the community.
What is your Company's direct contribution to community development projects? - Amount in Rs. and the details of the projects undertaken.	For detailed information relating to list of activities in which contribution has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure-IV to the Directors' Report.
Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Affle's CSR initiatives are rolled out directly or in partnership with non-profit organisations. This helps in increasing reach as well as ensuring the adoption of initiative by communities. Company's Representatives track the reach and take necessary steps to make it successful. Further, the CSR projects are evaluated by the CSR Committee to ensure maximum impact of their initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	
What percentage of customer complaints/ consumer cases are pending as on the end of financial year March 31, 2021?	No consumer cases are pending against the Company in Consumer forums/courts as on March 31, 2021
Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Not applicable
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.	None
Did your Company carry out any consumer survey/ consumer satisfaction trends?	Not applicable

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFFLE (INDIA) LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Affle (India) Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Balance Sheet as at March 31 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, their profit including other comprehensive income, their cash flows and the statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw your attention to note 39.2(i) to the financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to INR 59.24 million as on March 31, 2021 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition and recoverability of trade receivables and contract assets (as described in Note 19 of the consolidated financial statements)</td></tr>
<tr><td>The Group derives its revenue mainly from rendering of mobile advertising services using a network of publishers. The Group recognizes revenue from its customers at the time of delivery of advertisement. We identified revenue recognition as a key audit matter because revenue is one of the Group's key performance indicators and there is an inherent risk around the accuracy of revenue recorded which is dependent upon reconciliations of billing data as per Group records with those of customer.

Further, the Group has a significant balance of trade receivables and contract assets amounting to INR 1,605.64 Mn as at March 31, 2021. The Group has determined the allowance for credit losses based on past experience and adjusted to reflect current and estimated future economic conditions.

Due to significance of carrying values of trade receivables and judgments involved in assessing recoverability of trade receivables and contract assets and calculating the expected credit losses, this matter was considered key audit matter to our audit.</td><td>Our audit procedures included the following, amongst others:

• We obtained an understanding of the systems, processes and controls implemented by the Group for recognizing revenues.
• We have tested the operating effectiveness of the controls related to revenues and associated receivables and contract assets.
• For a sample of transactions we performed the following procedures:
a. assessed the supporting documents including contractual terms and conditions, release order from customers, delivery documents in the form of email confirmation,
b. tested the reconciliation of service provided to the customer with the amount of invoice raised.
• We assessed the Group's accounting policies relating to revenue recognition.

Our audit procedures on the carrying value of trade receivables and contract assets, included the following, amongst others:

• We obtained an understanding of the systems, processes and controls implemented by the Group for recording allowance for credit losses.
• We tested the ageing of contract assets and trade receivables for a sample of invoices;
• We obtained direct confirmation of trade receivables and performed other alternate procedures which included testing of invoice, testing of customer purchase/release order and subsequent collection of invoices for the confirmations not received
• We tested billings and receipts after year-end
• We examined the Group's assessment of recoverability basis historical payment patterns and macroeconomic information.
• We tested the management computation of the allowance for credit loss.</td></tr>
</table>

Internally generated intangible assets (as described in Note 4 of the consolidated financial statements)	
The Group recognizes internally generated intangible assets i.e. software and application platform amounting to INR 827.98 Mn. Initial recognition is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. The assessment involves management judgment on matters such as technical feasibility, intention and ability to complete the development of such intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. Due to the materiality of the assets recognized and the level of management judgement involved being significant, initial recognition and measurement of internally generated intangible assets is a key audit matter.	Our audit procedures included the following, amongst others: • We assessed the management process and procedures related to initial recognition criteria for intangible assets, allocation of budgets, measurement of time recorded on development and establish the basis for capitalization. • We tested the amount capitalized from the underlying records and information for expenses; • We performed inquires with management regarding key assumptions used and estimates made in capitalizing development costs and assessed those assumptions and estimates. • We also considered the useful economic life attributed to the assets.

Accounting for business combination (as described in Note 39.1(ii) of the consolidated financial statements)	
For the business combinations as detailed in Note 39.1(ii), the Group has used an expert for the purchase price allocations ('PPA') to determine the fair value of assets acquired. Further, the group recognized earn-out liabilities based on the contingent consideration as part of business combination at fair value. Considering, the identification and valuation of intangible assets is inherently subjective and involves significant judgements and assumptions around future cash flows and discount rates and fair value measurement of contingent consideration require management's estimation and significant judgement on post-acquisition performance of acquired business, we have considered this as a key audit matter.	Our audit procedures on PPA included the following, amongst others: • In respect of PPA performed in the books of subsidiary, we made inquiries on audit procedures performed by the component auditor. • We also assessed the disclosures given in the consolidated financial statements for compliance with disclosure requirements under the accounting standards. The audit procedures carried out by component auditor for the subsidiary included the following: • Read the business purchase agreement and assessed identification and measurement of fair value of the acquired assets and liabilities and contingent consideration payable. • Evaluated the competences, capabilities and objectivity of the management's expert. • Involved valuation specialists to evaluate and test the methodologies used by the management's expert. • Evaluated performance forecast and key assumptions used by management for contingent consideration payable.

Impairment of goodwill and other intangible assets (as described in Note 2(xi) of the consolidated Ind AS financial statements)	
The Group holds significant amounts of goodwill and intangible assets arising from business combinations and including self-generated and other intangibles, on the balance sheet amounting to INR 3,977.31 Mn. Accounting Standard ('Ind AS') 36, "Impairment of Assets requires management to test the goodwill for impairment as part of the non-current assets of (groups of) Cash Generating Unit ("CGUs") to which it is allocated, both annually and if there is a trigger for testing. Such goodwill and other intangible assets are tested for impairment using discounted cash-flow model of the CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. In view of the COVID -19 pandemic, the management reassessed its future business plans and key assumptions as at March 31, 2021 while assessing the adequacy of impairment provision. The impairment tests were a key audit matter due to the significant judgements and assumptions made by management which are affected by uncertainties around future market or economic conditions.	Our audit procedures on impairment test included the following, amongst others: • We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. • We assessed the Company's valuation methodology applied in determining the value in use; • We assessed the assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used after taking into consideration possible effects of COVID-19; • We assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We tested the arithmetical accuracy of the models; • We also assessed the disclosures given in the consolidated financial statements for compliance with disclosure requirements under the accounting standards.

Measurement of derivative financial instrument (as described in Note 5(b) of the consolidated financial statements)	
The Group had made an investment in a company and also entered into an exclusive monetization agreement with such company which provides right to the Group to acquire additional ownership stake in such company. These rights have been assessed by the Group as derivative financial instrument in accordance with Ind AS 109. This derivative financial instrument is recognized in the balance sheet at fair value amounting to INR 237.80 Mn on initial recognition. Any change in the value of derivative on the balance sheet reporting date is recorded in the statement of profit and loss. As at year-end, management assessed no change in fair value. Measurement of derivative financial instrument is a key audit matter due to the significant judgements and assumptions made by management which are affected by uncertainties around future market or economic conditions.	Our audit procedures on measurement of derivative financial instrument included the following, amongst others: • We assessed the processes and controls put in place by the Company to identify, measure and recognize derivative financial instruments. • We read the agreement to obtain an understanding of the transaction. • We evaluated the competences, capabilities and objectivity of the management's expert. • We involved our valuation specialist who: a. tested the arithmetical accuracy of the models used by the management expert; b. evaluated and tested the methodologies used by the management's expert in their valuation report; and c. assessed the key information used in determining the valuation including the volatility, risk free rate, expected option life. • We also assessed the disclosures given in the consolidated financial statements for compliance with disclosure requirements under the accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is 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.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a. We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, whose Ind AS financial statements include total assets of INR 5,338.46 Mn as at March 31, 2021, and total revenues of INR 2,701.79 Mn and net cash inflows of INR 160.25 Mn for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries 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.

b. The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of INR 7.37 Mn as at March 31, 2021, and total revenues of INR 0.80 Mn and net cash inflows of INR 6.24 Mn for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matter with respect of our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that

a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;

g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

    i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 30(c) to the consolidated financial statements;

    ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 21094941AAAABW9407

Place of Signature: New Delhi
Date: May 29, 2021

ANNEXURE 1

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AFFLE (INDIA) LIMTED

Report on the Internal Financial Controls 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 financial statements of Affle (India) Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Affle (India) Limited (hereinafter referred to as the "Holding Company") which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company which is the company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, which is company incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 21094941AAAABW9407

Place of Signature: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

CONSOLIDATED BALANCE SHEET

as at March 31, 2021

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	13.38	10.18
(b) Right of use asset	30 (a)	19.03	36.54
(c) Goodwill	4	3,149.33	1,106.73
(d) Other intangible assets	4	424.57	474.25
(e) Intangible assets under development	4	403.41	48.00
(f) Financial assets			
(i) Investments	5 (a)	758.43	0.26
(ii) Derivative instrument	5 (b)	237.80	-
(ii) Loans	6	3.34	3.34
(g) Income tax asset (net)	12	9.58	19.14
Total non-current assets		**5,018.87**	**1,698.44**
II. Current assets			
(a) Contract assets (net)	19	526.53	198.75
(b) Financial assets			
(i) Trade receivables	10	1,079.11	744.35
(ii) Cash and cash equivalent	11	491.49	695.90
(iii) Other bank balance other than (ii) above	11	140.96	568.81
(iv) Loans	6	20.65	44.05
(v) Other current financial assets	7	179.46	10.40
(c) Other current assets	9	68.57	58.70
Total current assets		**2,506.77**	**2,320.96**
Total Assets (I + II)		**7525.64**	**4019.40**
EQUITY AND LIABILITIES			
III. EQUITY			
(a) Equity share capital	13(a)	254.96	254.96
(b) Other equity	13(b)		
Retained earnings		2,455.85	1,106.19
Capital reserve		25.71	25.71
Securities premium		845.56	845.56
Other reserves		5.50	59.17
- Equity attributable to equity holders of the parent		**3,332.62**	**2,036.63**
- Non-controlling interests		4.24	-
Total equity		**3,591.82**	**2,291.59**
LIABILITIES			
IV. Non-current liabilities			
(a) Contract liabilities	19	174.06	-
(b) Financial liabilities			
(i) Borrowings	15	893.21	280.60
(ii) Lease liabilities	30 (a)	7.47	20.08
(iii) Other non-current financial liabilities	17	893.04	117.58
(c) Long-term provisions	14	15.54	12.79
(d) Deferred tax liabilities (net)	8	14.52	1.80
Total non-current liabilities		**1,997.84**	**432.85**
V. Current liabilities			
(a) Contract liabilities	19	58.65	8.03
(b) Financial liabilities			
(i) Borrowings	15	275.22	357.24
(ii) Trade payables	16		
- dues of micro enterprises and small enterprises		4.39	6.85
- dues of creditors other than micro enterprises and small enterprises		1,255.50	743.33
(iii) Lease liabilities	30 (a)	11.42	17.09
(iv) Other current financial liabilities	17	241.76	70.34
(c) Short-term provisions	14	11.62	6.59
(d) Liabilities for current tax (net)	14	25.51	36.26
(e) Other current liabilities	18	51.91	49.23
Total current liabilities		**1,935.98**	**1,294.96**
Total equity and liabilities (III + IV + V)		**7,525.64**	**4,019.40**

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue			
Revenue from contracts with customers	19	5,167.79	3,337.83
Other income	20	415.31	60.88
Total revenue (I)		**5,583.10**	**3,398.71**
II. Expense			
Inventory and data costs	21	2,977.02	1,921.40
Employee benefits expenses	22	539.92	272.93
Finance costs	23	36.35	14.22
Depreciation and amortisation expense	24	196.35	133.31
Other expenses	25	354.25	264.60
Total expense (II)		**4,103.89**	**2,606.46**
III. Profit before tax (I-II)		**1,479.21**	**792.25**
IV. Tax expense:	8		
Current tax [includes INR 7.81 million for earlier year (March 31, 2020: INR 1.48 million)]		119.80	138.35
Deferred tax charge / (credit)		9.04	(1.27)
Total tax expense (IV)		**128.84**	**137.08**
V. Profit for the year (III-IV)		**1,350.37**	**655.17**
VI. Other comprehensive income			
Items that will be reclassified to profit or loss in subsequent years Exchange differences on translating the financial statements of a foreign operation		(53.67)	53.57
		(53.67)	**(53.67)**
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement (losses) /gains on defined benefit plans	26	(0.95)	1.55
Income tax effect		0.24	(0.39)
		(0.71)	**1.16**
Other comprehensive income / (loss) net of tax		**(54.38)**	**54.73**
VII. Total comprehensive income for the year (V+VI)		**1,295.99**	**709.90**
VIII. Profit for the year attributable to:		**1,350.37**	**655.17**
- Equity holders of the parent		1,348.03	655.17
- Non-controlling interests		2.34	-
IX. Other comprehensive (loss) / income for the year attributable to:		**(54.38)**	**54.73**
- Equity holders of the parent		(54.38)	54.73
- Non-controlling interests		-	-
X. Total comprehensive income for the year attributable to:		**1,295.99**	**709.90**
- Equity holders of the parent		1,293.65	709.90
- Non-controlling interests		2.34	-
XI. Earnings per equity share:			
Equity shares of par value INR 10 each			
(1) Basic	27	52.96	26.13
(2) Diluted	27	52.96	26.13

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

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Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

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Director
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Place: Gurugram
Date: May 29, 2021

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Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	**1,479.21**	**792.25**
Adjustments for :		
Depreciation and amortisation expense	196.35	133.31
Interest on lease liabilities	1.72	1.32
Impairment allowance of trade receivables	17.25	21.52
Liabilities written back	(3.42)	(9.37)
Loss on disposal of property, plant and equipments (net)	-	0.11
Interest income	(22.08)	(35.57)
Interest expense	24.92	8.88
Unrealised foreign exchange (gain) / loss	(48.46)	48.80
Advances written off	2.05	2.32
Fair value gain on financial instruments	(339.80)	-
Operating profit before working capital changes	**1,307.74**	**963.57**
Change in working capital:		
(Increase) in contract assets	(327.78)	(66.88)
(Increase) in trade receivables	(309.87)	(290.03)
Decrease/(increase) in financial assets	24.44	(12.44)
(Increase) in other assets	(10.06)	(37.34)
Increase in contract liabilities	11.22	1.24
Increase in trade payables	404.34	238.42
Increase in other financial liabilities	23.86	4.83
Increase in other liabilities	2.68	24.72
Increase in provisions	6.83	2.08
Net cash generated from operations	**1,133.40**	**828.17**
Direct tax paid (net of refunds)	(117.24)	(109.65)
Net cash flow generated from operating activities (A)	**1,016.16**	**718.52**
B. Cash flow from investing activities:		
Purchase of property, plant and equipments, other intangible assets including intangible assets under development	(492.81)	(310.59)
Acquisition of a subsidiary, net of cash acquired	(1,123.55)	(877.71)
Loan given	(154.08)	-
Proceeds from sale of property, plant and equipment	-	0.04
Investments in bank deposits (having original maturity of more than three months)	(1,413.47)	(568.81)
Redemption in bank deposits (having original maturity of more than three months)	1,841.32	98.83
Purchase of investments	(432.27)	-
Interest received on bank deposits	26.46	30.82
Net cash flow used in investing activities (B)	**(1,748.40)**	**(1,627.42)**
C. Cash flow from financing activities:		
Interest expense	(20.78)	(8.88)
Proceeds from borrowings	1,138.00	909.77
Repayment of borrowings	(571.14)	(361.85)
Interest on lease liabilities	(1.72)	(1.32)
Payment of principal portion of lease liabilities	(13.50)	(8.42)
Proceeds from Initial public offer (net of issue expenses)	-	857.65
Net cash flow generated from financing activities (C)	**530.86**	**1,386.94**
Net change in cash and cash equivalent (A+B+C)	**(201.38)**	**478.04**
Net foreign exchange difference	(3.03)	11.78
Cash and cash equivalent as at the beginning of year	695.90	206.08
Cash and cash equivalent as at the end of year	**491.49**	**695.90**
Components of cash and cash equivalent:		
Balance with banks		
- On current account	444.72	246.31
Deposits with original maturity of less than three months	46.65	449.48
Cash in hand	0.12	0.11
Total cash and cash equivalent	**491.49**	**695.90**

The reconciliation between the opening and the closing balances in the balance sheet for liabilities arising from financing activities is as follows:

(Amount in INR million, unless otherwise stated)

For the year ended March 31, 2021

Particulars	March 31, 2020	Cash flow	Other non-cash adjustments: Rebate received during the period	Other non-cash adjustments: Accretion of interest	March 31, 2021
Current borrowings	357.24	(82.02)	-	-	275.22
Non-current borrowings	280.60	612.61	-	-	893.21
Current lease liabilities	17.09	2.61	4.78	1.72	11.42
Non-current lease liabilities	20.08	12.61	-	-	7.47
Total liabilities from financing activities	**675.00**	**545.81**	**4.78**	**1.72**	**1,187.32**

For the year ended March 31, 2020

Particulars	March 31, 2019	Cash flow	Other non-cash adjustments: Leases added during the period	Other non-cash adjustments: Accretion of interest	March 31, 2020
Current borrowings	20.75	336.49	-	-	357.24
Non-current borrowings	69.17	211.43	-	-	280.60
Current lease liabilities	-	9.74	25.51	1.32	17.09
Non-current lease liabilities	-	-	20.08	-	20.08
Total liabilities from financing activities	**89.92**	**557.65**	**45.59**	**1.32**	**675.00**

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No.: L65990MH1994PLC080451
No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

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Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
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Director
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Place: Gurugram
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Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

(a) Equity Share Capital

Particulars	Number of shares	Amount (INR)
Balance as at April 1, 2019	**24,288,314**	**242.88**
Issued during the year	1,208,053	12.08
Balance as at March 31, 2020	**25,496,367**	**254.96**
Balance as at April 1, 2020	**25,496,367**	**254.96**
Issued during the year	-	-
Balance as at March 31, 2021	**25,496,367**	**254.96**

(Amount in INR million, unless otherwise stated)

(b) Other Equity

Particulars	Reserves and surplus: Retained earnings	Reserves and surplus: Capital reserve	Reserves and surplus: Securities premium	Other reserves: Exchange differences on translating the financial statements of a foreign operation	Equity attributable to holders of the parent	Non controlling interests	Total other equity
Balance as at April 01, 2019	**449.86**	**25.71**	**-**	**5.60**	**481.17**	**-**	**481.17**
Profit for the year	655.17	-	-	-	**655.17**	-	**655.17**
Other comprehensive income	1.16	-	-	53.57	**54.73**	-	**54.73**
Issue of share capital	-	-	845.56	-	**845.56**	-	**845.56**
Balance as at March 31, 2020	**1,106.19**	**25.71**	**845.56**	**59.17**	**2,036.64**	**-**	**2,036.63**
Balance as at April 01, 2020	**1,106.19**	**25.71**	**845.56**	**59.17**	**2,036.63**	**-**	**2,036.63**
Profit for the year	1,350.37	-	-	-	**1,350.37**	2.34	**1,352.71**
Other comprehensive income	(0.71)	-	-	(53.67)	**(54.38)**	-	**(54.38)**
Acquisition of a subsidiary	-	-	-	-	**-**	1.90	**1.90**
Balance as at March 31, 2021	**2,455.85**	**25.71**	**845.56**	**5.50**	**3,332.62**	**4.24**	**3,336.86**

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

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Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

1. CORPORATE INFORMATION

The consolidated financial statements comprise of financial statements of Affle (India) Limited ("the Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2021. The Company is a public limited company, domiciled in India, incorporated under the provisions of the Companies Act, 1956, and is a subsidiary of Affle Holdings Pte. Ltd. The Company was incorporated on 18 August 1994. The shares of the Company got listed on National Stock Exchange Limited and Bombay Stock Exchange Limited on August 8, 2019.

The Group is engaged in providing mobile advertisement services through information technology and software development services for mobiles. The registered office of the Group is situated at 102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059. The principal place of business is in Haryana, India.

The consolidated financial statements were authorized for issue in accordance with the resolution of directors on May 29, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of financial statements

The consolidated financial statements of the Group have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

The consolidated financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest millions upto two decimals, except when otherwise stated.

The consolidated financial statements provide comparative information in respect of the previous year.

ii. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of 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 all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., the year ended on March 31, 2021. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

List of entities consolidated

The list of entities consolidated by the Group, which are included in the consolidated financial statements are as under:

S. No.	Entity	Place of incorporation	Percentage of ownership interest as at	
			March 31, 2021	March 31, 2020
1	Affle International Pte. Ltd.	Singapore	100%	100%
2	PT Affle Indonesia	Indonesia	100%	100%
3	Affle MEA FZ-LLC	Dubai, United Arab Emirates	100%	100%
4	Mediasmart Mobile S.L.*	Madrid, Spain	100%	100%
5	Mediasmart Mobile Limited	London, United Kingdom	100%**	100%
6	Appnext Pte. Limited	Singapore	95%***	-
7	Appnext Technologies Limited	Israel	100%	-

Notes:

* In the previous year, 94.78% shares were acquired by the Group and for balance 5.22% the Group had acquired voting rights and had definite agreement for purchase of shares. In the current year, the Group has acquired balance 5.22% shares.

** The subsidiary has been dissolved w.e.f. March 23, 2021.

*** Includes 66.67% stake acquired by the Group and for the balance 28.33% the Group has acquired voting rights and has option to purchase of shares after 3 years and therefore, has been consolidated at 95%.

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 Company'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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

iii. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized 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:

a) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

b) Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

c) Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

d) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

e) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

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 recognized in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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 recognized in profit or loss. An impairment loss recognized 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 of, 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 recognized, 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. Refer Note 40.

iv. Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.

The Group accounts for its business combination under common control using pooling of interest method of accounting as per Appendix C of Ind AS 103. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the definition for recognition are recognized at their carrying amount at the acquisition date. Transferor's reserves are preserved and are appeared in the financial statements of the transferee in the same form in which they appear in the financial statements of the transferor. Acquisition date is the beginning of the preceding period in case the common control is established prior to such date. However, if business combination had occurred after such date, the acquisition date is considered only from that date.

The consolidated financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The consolidated income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is shorter.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the year in which it is incurred.

v. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

vi. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and other directly attributable cost incurred in bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are capitalized on the carrying amount or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss on the date of disposal or retirement.

vii. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a pro-rata basis from the date on which the asset is ready to use, using written down value method ("WDV") over the useful lives of the assets estimated by the management, which are in line with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The Group has used the following rates to provide depreciation on its property, plant and equipment:

Asset Category	Useful lives estimated by management
Computers	3 years
Office equipments	5 years
Furniture and fixtures	10 years
Motor vehicles	8 years

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.

viii. 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 accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

A summary of amortization periods applied to the Group's intangible assets is as below:

Asset Category	Useful lives estimated by management
Computer software	5 years
Software application development	4 years
Non-Compete fee	4 years
Trademark	5 years

ix. Borrowing costs

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 capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

x. Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognizes 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 remeasurement 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 period of the lease term (Refer Note 30(a)).

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. Refer to the accounting policies in clause (xi) Impairment of non-financial assets.

ii. Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The effective interest rate for the lease liabilities of the Group ranges from 2% to 11% per annum. 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. 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 financial liabilities (Refer Note 30 (a)).

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of rent on property and on rent of computer equipment (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 recognizes leases with original lease term of more than 12 months from the commencement date and do not contain any non-cancellable period/ lock-in period. It also applies the lease of low-value assets recognition exemption to leases of office equipment 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.

xi. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.
Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

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 (or group of CGUs) 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.

xii. Financial instruments

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.

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income ("FVTOCI")
- Debt instruments, derivatives and equity instruments at fair value through profit or loss ("FVTPL")
- Equity instruments measured at fair value through other comprehensive income ("FVTOCI")

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

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

This category is most applicable to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

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

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

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, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L).

Debt instrument at 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 FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

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 statement of profit and loss, 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. All changes in fair value including dividend are recognized in the statement of profit and loss.

Derivative Instruments
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Derecognition
A financial asset is de-recognized only 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 recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes 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.

Impairment of financial assets
Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant accounting judgements, estimates and assumptions – Refer Note 28.
- Trade receivables and contract assets – Refer Note 10 and Note 19.

In accordance with Ind AS 109, the Group applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract asset. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortized cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognized 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 borrowings, trade and other payables.

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (borrowings):

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. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortized cost (Borrowings): This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

De-recognition
A financial liability is de-recognized 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 recognized in the statement of profit and loss.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xiii. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

- Disclosures for significant accounting judgements, estimates and assumptions (Refer Note 28)
- Quantitative disclosures of fair value hierarchy (Refer Note 35)
- Investment in unquoted equity investments (Refer Note 5)
- Statement of fair values containing financial instruments (including those carried at amortized cost) (Refer Note 34)

xiv. Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria discussed below must also be met before revenue is recognized:

Consumer platform

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered based on the terms of the contract. The Group collects taxes on behalf of governments and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue. In respect of consumer platform, the revenue is recognised as and when the advertisements are delivered by the Group.

Enterprise platform

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized in accordance with the proportionate completion method as per the terms of the contract. The Group collects taxes on behalf of governments and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue. In respect of enterprise platform, the revenue is recognised based on the projects completed by the Group.

Other Operating Revenue

Other operating revenue is derived from the allocation of salary and operational cost charged to the associated entity for the work performed. The transaction is at arm's length which is on usual commercial terms. The amount charged includes cost plus margin based on the transfer pricing study carried at the year end. The revenue is recognized on accrual basis.

Contract balances

Contract assets - A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in clause (xii) Financial instruments – initial recognition and subsequent measurement.

Trade receivables - A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in clause xii) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities - A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or 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 amortized 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 but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

xv. Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupees (INR) which is also the Parent's functional currency. Each entity of the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates 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. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

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

Non-monetary items 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 a 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 profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses a quarterly average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

xvi. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure in the statement of profit and loss, when an employee renders the related service.

The Group operates an unfunded defined benefit gratuity plan for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method and charged to statement of profit and loss. Remeasurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in the statement of profit and 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 recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

xvii. Taxes

Income tax expense comprises 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 tax authorities in accordance. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or 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 recognized 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

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

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 utilized. The unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax 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 taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

xviii. Cash and cash equivalents

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, that are readily convertible to a known amount of cash and 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.

xix. Provisions

Provisions are recognized 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. The expense relating to a provision is presented in the statement of profit and 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 recognized as a finance cost.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortization recognised in accordance with the requirements for revenue recognition.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

xx. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

xxi. Share based payments

Employees (including senior executives) 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 using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognized 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 recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

xxii. Earnings per share

Basic earnings per share ("EPS") are calculated by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit or loss of the Group (after adjusting the corresponding income/charge for dilutive potential equity shares) 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.

xxiii. Segment reporting

Identification of segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Inter-segment transfers
The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items
Unallocated items include general income and expense items which are not allocated to any business segment.

Segment accounting 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.

xxiv. Changes in accounting policies and disclosures

New and amended standards

(a) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 01, 2019. Due to this amendment the Group has recognised rebate received of INR 4.78 million in the statement of profit and loss.

(b) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the April 01, 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations.

(c) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's consolidated financial statements.

(d) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the April 01, 2020. These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

(Amount in INR million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Computers	Furniture & fixtures	Office equipments	Motor Vehicles	Total
Gross block					
As at April 1, 2019	**9.06**	**1.57**	**2.89**	**1.95**	**15.47**
Additions during the year	6.07	-	0.50	0.97	**7.54**
Additions on account of business combination	2.50	0.47	0.05	-	**3.02**
Disposals during the year	1.70	-	0.25	-	**1.95**
Foreign exchange difference	(0.07)	-	(0.01)		**(0.08)**
As at March 31, 2020	**15.86**	**2.04**	**3.18**	**2.92**	**24.00**
As at April 1, 2020	**15.86**	**2.04**	**3.18**	**2.92**	**24.00**
Additions during the year	5.81	-	0.09	4.06	**9.95**
Disposals during the year	0.05	-	-	-	**0.05**
Foreign exchange difference	(0.02)	0.02	-	-	**(0.00)**
As at March 31, 2021	**21.60**	**2.06**	**3.26**	**6.98**	**33.90**
Accumulated depreciation					
As at April 1, 2019	**3.72**	**1.36**	**1.64**	**1.26**	**7.98**
Depreciation during the year	5.27	0.04	0.65	0.43	**6.39**
Charge on account of business combination	1.34	0.28	0.05	-	**1.67**
Disposals during the year	1.58	-	0.22	-	**1.80**
Foreign exchange difference	(0.41)	-	(0.01)		**(0.42)**
As at March 31, 2020	**8.34**	**1.68**	**2.11**	**1.69**	**13.82**
As at April 1, 2020	**8.34**	**1.68**	**2.11**	**1.69**	**13.82**
Depreciation during the year	5.52	0.03	0.46	0.84	**6.85**
Disposals during the year	0.05	-	-	-	**0.05**
Foreign exchange difference	(0.11)	0.01	0.00	-	**(0.10)**
As at March 31, 2021	**13.70**	**1.72**	**2.57**	**2.53**	**20.52**
Net block					
As at March 31, 2021	**7.90**	**0.34**	**0.69**	**4.45**	**13.38**
As at March 31, 2020	**7.52**	**0.36**	**1.07**	**1.23**	**10.18**

(Amount in INR million, unless otherwise stated)

4. Other intangible assets

Particulars	Computer Software	Software application development	Non-compete fees	Trademark	Total	Goodwill	Intangible assets under development
Gross block							
As at April 1, 2019	**25.08**	**833.18**	**-**	**-**	**858.26**	**325.29**	**17.95**
Additions during the year	0.03	226.80	-	-	**226.83**	-	256.85
Additions on account of business combination	-	-	-	0.06	**0.06**	-	-
Capitalised during the year	-	-	-	-	**-**	-	226.80
Acquisition during the year	-	78.11	19.66	-	**97.77**	764.28	-
Foreign exchange difference	-	75.69	-	-	**75.69**	17.16	-
As at March 31, 2020	**25.11**	**1,213.78**	**19.66**	**0.06**	**1,258.61**	**1,106.73**	**48.00**
As at April 1, 2020	**25.11**	**1,213.78**	**19.66**	**0.06**	**1,258.61**	**1,106.73**	**48.00**
Additions during the year	-	73.17	-	-	**73.17**	308.69	428.58
Capitalised during the year	-	-	-	-	**-**	-	73.17
Acquisition during the year	-	58.59	-	-	**58.59**	1,756.77	-
Foreign exchange difference	-	(29.64)	(0.56)	0.00	**(30.20)**	(22.86)	-
As at March 31, 2021	**25.11**	**1,315.90**	**19.10**	**0.06**	**1,360.17**	**3,149.33**	**403.41**
Accumulated amortisation							
As at April 1, 2019	**24.31**	**593.75**	**-**	**-**	**618.06**	**-**	**-**
Amortisation during the year	0.49	117.45	-	0.00	**117.94**	-	-
Charge on account of business combination	-	-	-	0.04	**0.04**	-	-
Foreign exchange difference	-	48.32	-	-	48.32	-	-
As at March 31, 2020	**24.80**	**759.52**	**-**	**0.04**	**784.36**	**-**	**-**
As at April 1, 2020	**24.80**	**759.52**	**-**	**0.04**	**784.36**	**-**	**-**
Amortisation during the year	0.22	170.48	1.47	-	**172.17**	-	-
Foreign exchange difference	-	(20.93)	0.00	0.00	**(20.93)**	-	-
As at March 31, 2021	**25.02**	**909.07**	**1.47**	**0.04**	**935.60**	**-**	**-**
Net block							
As at March 31, 2021	**0.08**	**406.84**	**17.63**	**0.02**	**424.57**	**3,149.33**	**403.41**
As at March 31, 2020	**0.30**	**454.26**	**19.66**	**0.02**	**474.25**	**1,106.73**	**48.00**

(Amount in INR million, unless otherwise stated)

Net book value	As at March 31, 2021	As at March 31, 2020
Goodwill*	3,149.33	1,106.73
Other intangible assets	424.57	474.25
Intangible assets under development	403.41	48.00
Total	**3,977.31**	**1,628.98**

*Goodwill includes amount of INR 59.24 million (March 31, 2020: INR 59.24 million) on account of amalgamation (Refer Note 39.2) and amount of INR 3,046.04 million (March 31, 2020: INR 1,047.49 million) on account of business combination (Refer Note 39.1).

5 (a). Non-current investments

	As at	
	March 31, 2021	March 31, 2020
Investment at fair value through profit or loss (FVTPL)		
Unquoted equity investments fully paid-up		
50 (March 31, 2020: 50) equity shares with face value of INR 10 each and with premium of INR 1,219 each in Affle X Private Limited	0.06	0.06
2,300 (March 2020: Nil) Series C compulsorily convertible preference shares with face value of INR 100 each with premium of INR 85,986.95 each in Talent Unlimited Online Services Private Limited**	232.12	-
170,263 (March 2020: Nil) Series B4 compulsorily convertible preference shares at value of USD 42.19 each in Oslabs Pte. Ltd***	526.05	-
Unquoted preference investments fully paid-up		
101 (March 31, 2020: 101) preference shares with face value of INR 10 each and with premium of INR 1,972 each in Affle X Private Limited*	0.20	0.20
Total	**758.43**	**0.26**
Aggregate value of unquoted investments	758.43	0.26
Aggregate amount of impairment in the value of investments	-	-

Terms/rights attached to preference shares

*The Company has the right to be entitled to receive dividend if declared at any point of time. These preference shares can be convertible into equity shares of Affle X Private Limited after complying the provision of Companies Act, 2013 and the manner as specified in the subscription agreement. The Company does not have any voting rights in the invested entity except in case any resolution is passed. The Company shall have an option to redeem the fully paid up preference share at any point in time subject to maximum redemption period of 20 years.

**Each Series C CCPS shall be converted by the Company into 1 equity share at the rate of INR 10 (Indian Rupees Ten only) per share after 20 years from the date of issuance of the Series C CCPS. It carries a non-cumulative dividend rate of 0.1% (Zero Point One Percent) per annum. The Series C CCPS may not be redeemed by the Company for cash.

(Amount in INR million, unless otherwise stated)

"***The Series B4 CCPS will be transferable in the manner specified in the Shareholders' Agreement and the Charter Documents of the Company. Each Series B4 CCPS shall be entitled to cumulative preferential dividend at the rate of 0.01% per year on each Series B4 CCPS ("Preferential Dividend"). The Series B4 CCPS shall be participating preference shares and shall be entitled to participate in any dividend distribution, and subject to the Preferential Dividend shall rank paripassu to holders of Ordinary Shares on a Fully Diluted Basis. The Series B4 CCPS shall be entitled to vote at any general meeting of the Company on a pro rata basis with the holders of Ordinary Shares of the Company on a Fully Diluted Basis. The Series B4 CCPS shall have such rights in liquidation as per the Shareholders' Agreement.

5 (b). Derivative instruments

	As at	
	March 31, 2021	March 31, 2020
Derivative instruments at fair value through profit and loss		
Embedded derivates (refer note 45)	237.80	-
Total	**237.80**	**-**

6. Loans

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
At amortised cost				
Unsecured, considered good unless otherwise stated				
Security deposits	3.34	3.34	10.39	31.69
Loans to employees	-		10.26	12.36
Total	**3.34**	**3.34**	**20.65**	**44.05**

Note:
1. During the year ended March 31, 2021 and March 31, 2020, there were no balances of loan to employees with a significant increase in credit risk or credit impairment.
2. Security deposits primarily include deposits given towards rented premises and other miscellaneous deposits. It represents fair value of amount paid to landlord for the leases premises. As at March 31, 2021, remaining tenure for security deposits ranges from one to nine years.

7. Other current financial assets

	As at	
	March 31, 2021	March 31, 2020
Financial assets carried at amortised cost		
Secured, considered good unless otherwise stated		
Loans	151.22	-
Unsecured, considered good unless otherwise stated		
Interest accrued but not due on deposit	0.75	5.33
Others	27.49	5.07
Total	**179.46**	**10.40**

(Amount in INR million, unless otherwise stated)

8. Income tax

The major component of income tax expense for the year ended March 31, 2021 and March 31, 2020 are as follows:

(i) Profit or loss section

	As at	
	March 31, 2021	March 31, 2020
Current income tax:		
Income tax charge [includes INR 7.81 million for earlier year (March 31, 2020: INR 1.48 million)]	119.80	138.35
Deferred tax:		
Relating to origination and reversal of temporary differences	9.04	(1.27)
Income tax expense reported in the statement of profit and loss	**128.84**	**137.08**

(ii) Other Comprehensive Income (OCI) section

Deferred tax relating to items recognised in OCI during in the year:

	As at	
	March 31, 2021	March 31, 2020
Net gain / (loss) on measurement of defined benefit plans	0.24	(0.39)
Total	**0.24**	**(0.39)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

	As at	
	March 31, 2021	March 31, 2020
Accounting profit before income tax	1,479.21	792.25
At India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	372.32	199.41
Non-deductible expenses / non-taxable income for tax purposes	(76.63)	(9.23)
Effect of lower tax rate in case of foreign subsidiaries	(185.20)	(50.40)
Income tax expense relating to earlier year	7.81	1.48
Impact of deferred tax on goodwill on account of amendment in Finance Act, 2021	14.36	-
Effect of partial tax exemption and tax relief	(3.82)	(1.87)
Effect of change in tax rate	-	(2.31)
Income tax expense reported in the statement of profit and loss	**128.84**	**137.08**

(Amount in INR million, unless otherwise stated)

Deferred tax:

Deferred tax relates to the following:

	As at	
	March 31, 2021	March 31, 2020
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(9.26)	7.58
Impact of right of use asset and lease liability	1.14	0.26
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	5.44	4.46
Allowance for impairment of trade receivables and contract assets	8.19	5.55
Impact on goodwill on account of amendment of Finance Act, 2021	(33.82)	(19.65)
Impact of fair valuation and amortisation of financial assets	(14.70)	-
Impact of previously unrecognised tax losses on subsidiary	28.49	-
Deferred tax liability (net)	**(14.52)**	**(1.80)**

Reconciliation of deferred tax asset / (liability) (net)

	As at	
	March 31, 2021	March 31, 2020
Opening balance of deferred tax liability (net)	**(1.80)**	**(2.68)**
Tax (expense) / income during the year recognised in statement of profit or loss	(9.04)	1.27
Tax income / (expense) during the year recognised in OCI	0.24	(0.39)
Exchange differences (net)	(3.92)	-
Closing balance of deferred tax liability (net)	**(14.52)**	**(1.80)**

Reconciliation of deferred tax expense / (income) recognised in the statement of profit and loss

	For the year ended	
	March 31, 2021	March 31, 2020
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	16.84	(2.32)
Impact of right of use asset and lease liability	(0.88)	(0.25)
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	(0.98)	-
Allowance for impairment of trade receivables and contract assets	(2.64)	(1.10)
Impact on goodwill on account of amendment of Finance Act, 2021	14.17	2.38
Impact of fair valuation and amortisation of financial assets	14.70	0.02
Impact of previously unrecognised tax losses in subsidiary	(32.17)	-
Deferred tax expense / (income)	**9.04**	**(1.27)**

(Amount in INR million, unless otherwise stated)

Reconciliation of deferred tax expense recognised in other comprehensive income

	For the year ended	
	March 31, 2021	March 31, 2020
Re-measurement gains/(losses) on defined benefit plans	0.24	(0.39)
Deferred tax related to other comprehensive income of the year	**0.24**	**(0.39)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same tax authority.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the years in which the temporary differences become deductible. Management considers the 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 incomes over the years in which the deferred tax assets are deductible, management believes that it is probable that the Group will be able to realise the benefits of those deductible differences in future.

9. Other current assets

	As at	
	March 31, 2021	March 31, 2020
Unsecured, considered good		
Prepayments	18.59	15.56
Deferred lease expense on security deposits paid	0.80	(0.12)
Balance with statutory/government authorities	36.88	35.73
Advances other than capital advances*	12.30	7.53
Total	**68.57**	**58.70**

* Pertains to advances given to vendors in the ordinary course of business which are likely to be settled on receiving the actual invoice.

10. Trade receivables

	As at	
	March 31, 2021	March 31, 2020
Unsecured, considered good		
Trade receivables	1,079.11	744.13
Trade receivables from related parties (refer note 32)	-	0.22
	1,079.11	**744.35**
Unsecured, considered doubtful		
Trade receivables	88.60	68.46
	88.60	**68.46**
Allowance for impairment of trade receivables	(88.60)	(68.46)
Total	**1,079.11**	**744.35**

(Amount in INR million, unless otherwise stated)

Break-up for security details:

	As at	
	March 31, 2021	March 31, 2020
Trade receivable		
Unsecured, considered good	1,079.11	744.35
Trade receivables - credit impaired	88.60	68.46
	1,167.71	**812.81**
Allowance of impairment		
Trade receivables - credit impaired	(88.60)	(68.46)
Total trade receivables	**1,079.11**	**744.35**

The movement in allowance for impairment of trade receivables is as follows:

	As at	
	March 31, 2021	March 31, 2020
Opening balance	**68.46**	**35.95**
Additions	17.25	21.52
Acquired during business combination (refer note 39)	-	23.63
Bad debts written off (net of recovery)	(0.83)	(12.64)
Exchange differences (net)	3.72	-
Closing balance	**88.60**	**68.46**

Note:

1. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days. For terms and conditions relating to related party receivables (refer note 32).
2. Following are the amounts due from related parties (refer note 32):

	As at	
	March 31, 2021	March 31, 2020
Affle Global Pte. Ltd.	-	0.23
	-	**0.23**

11. Cash and bank balances

(i) Cash and cash equivalent

	As at	
	March 31, 2021	March 31, 2020
Balances with banks:		
On current accounts*	444.72	246.31
Deposits with original maturity of less than three months	46.65	449.48
Cash in hand	0.12	0.11
Total	**491.49**	**695.90**

*Balances with banks on current accounts includes balance in cash credit facility account. No utilisation of cash credit facility as at March 31, 2021 (March 31, 2020: NIL). The cash credit facility in the year ended March 31, 2021 is secured by hypothecation of fixed & current assets of the Company including other intangible assets.

The rate of interest to be charged on the utilisation of the facility amount is 6M MCLR +1.10% (presently 8.80% p.a.) payable at monthly intervals. The amount utilised is payable on demand and the tenure of the cash credit limit is four years from the date of sanction i.e. June 30, 2024.

(ii) Other bank balances

	As at	
	March 31, 2021	March 31, 2020
Deposits with original maturity of more than three months but less than twelve months	140.96	568.81
Total	**140.96**	**568.81**

For the purpose of the statement of cash flow, cash and cash equivalent comprise the following:

	As at	
	March 31, 2021	March 31, 2020
Balances with banks:		
On current accounts	444.72	246.31
Deposits with original maturity of less than three months	46.65	449.48
Cash in hand	0.12	0.11
Total	**491.49**	**695.90**

12. Income tax asset (net)

	As at	
	March 31, 2021	March 31, 2020
Advance tax [net of provision for tax amounting to INR 217.09 million (March 31, 2020: INR 106.84 million)]	9.58	19.14
Total	**9.58**	**19.14**

13 (a). Share capital

	As at	
Particulars	March 31, 2021	March 31, 2020
Authorised share capital		
30,000,000 (March 31, 2020: 30,000,000) equity shares of INR 10 each	300.00	300.00
Issued share capital		
25,496,367 (March 31, 2020: 25,496,367) equity shares of INR 10 each fully paid up	254.96	254.96
	254.96	**254.96**
Subscribed and fully paid-up share capital		
25,496,367 (March 31, 2020: 25,496,367) equity shares of INR 10 each fully paid up	254.96	254.96
	254.96	**254.96**

(Amount in INR million, unless otherwise stated)

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year:

	As at			
Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Opening balance	**25,496,367**	**254.96**	**24,288,314**	**242.88**
Shares issued during the year (refer note 44)	-	-	1,208,053	12.08
Shares bought back during the year	-	-	-	-
Closing Balance as on March 31	**25,496,367**	**254.96**	**25,496,367**	**254.96**

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares held by holding company and/or their subsidiaries

Out of the equity shares issued by the Company, shares held by its Holding Company and its subsidiaries are as below:

	As at	
Particulars	March 31, 2021	March 31, 2020
Affle Holdings Pte. Ltd., Singapore, ultimate holding Company		
11,943,093 (March 31, 2020: 13,415,919) equity shares of INR 10 each fully paid up	119.43	134.16
Affle Global Pte. Ltd. (earlier known as Affle Appstudioz Pte. Ltd.) , Singapore, subsidiary of Affle Holdings Pte. Ltd.		
4,017,911 (March 31, 2020: 4,017,911) equity shares of INR 10 each fully paid up	40.18	40.18

D. Details of shareholders holdings more than 5% shares

	As at			
Name of shareholder	March 31, 2021		March 31, 2020	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares of INR 10 each fully paid				
Affle Holdings Pte. Ltd., Singapore	11,943,093	46.84%	13,415,919	52.62%
Affle Global Pte. Ltd., Singapore	4,017,911	15.76%	4,017,911	15.76%
Malabar India Fund Limited, Mauritius*	-	-	1,616,214	6.34%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil.

(Amount in INR million, unless otherwise stated)

*As at March 31, 2021, Malabar India Fund Limited, Mauritius, holds less than 5% shares, hence Nil has been disclosed.

13 (b). Other equity

	As at	
Particulars	March 31, 2021	March 31, 2020
Retained earnings	2,455.85	1,106.19
Capital reserve	25.71	25.71
Exchange differences on translating the financial statements of a foreign operation	5.50	59.17
Securities premium	845.56	845.56
Non-controlling interests	4.24	-
Total	**3,336.86**	**2,036.63**

(i) Retained earnings

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**1,106.19**	**449.86**
Profit for the year	1,350.37	655.17
Other comprehensive income for the year	(0.71)	1.16
Closing balance	**2,455.85**	**1,106.19**

(ii) Capital reserve

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**25.71**	**25.71**
Additions for the year	-	-
Closing balance	**25.71**	**25.71**

(iii) Exchange differences on translating the financial statements of a foreign operation

	As at	
	March 31, 2021	March 31, 2020
Opening balance	**59.17**	**5.60**
Other comprehensive income for the year	(53.67)	53.57
Closing balance	**5.50**	**59.17**

(iv) Securities premium

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**845.56**	**-**
Fresh equity issued during the year (refer note 44)	-	845.56
Closing balance	**845.56**	**845.56**

(Amount in INR million, unless otherwise stated)

(v) Non-controlling interests

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**-**	**-**
Acquisition of a subsidiary	1.90	-
Profit for the year	2.34	-
Closing balance	**4.24**	**-**

Nature and purpose of other equity

Retained earnings
Retained earnings represent the undistributed profits of the Group.

Capital reserve
The Group recognizes profit or loss on purchase, sale, issue or cancellation of the group's own equity instruments to capital reserve.

Exchange differences on translating the financial statements of a foreign operation
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Securities premium
Securities premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

14. Provisions

	Non-current		Current	
	As at			
Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for employee benefits				
Provision for gratuity *(refer note 29)	11.93	9.46	4.54	3.49
Provision for leave benefits	3.61	3.33	7.01	3.03
Other provisions				
Provision for contingency (refer note 41)	-	-	0.07	0.07
Total (A)	**15.54**	**12.79**	**11.62**	**6.59**
Provision for income tax [net of advance tax INR 84.09 million (March 31, 2020: INR 100.42 million)]	-	-	25.51	36.26
Total (B)	**-**	**-**	**25.51**	**36.26**
Total (A+ B)	**15.54**	**12.79**	**37.13**	**42.85**

Note: *Due to non-applicability of gratuity to the employees of subsidiary companies, the balance pertains to the Company only.

(Amount in INR million, unless otherwise stated)

Movement in provision for contingency

Particulars	As at March 31, 2021	March 31, 2020
At the beginning of the year	0.07	0.10
Write off/utilized during the year	-	(0.03)
At the end of the year	**0.07**	**0.07**

15. Borrowings

	Non-current		Current	
	As at			
Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unsecured				
Term Loan				
- From related parties (refer note 32)	366.17	241.23	87.88	278.93
- From financial institutions	527.04	11.73	187.34	40.97
- From non-financial institutions	-	27.64	-	5.46
Loan repayable on demand				
- From financial institutions	-	-	-	9.39
- From non-financial institutions	-	-	-	22.49
Total	**893.21**	**280.60**	**275.22**	**357.24**

Details of borrowings i.e. interest rate, currency and terms of repayments of borrowings:

(Amount in INR million, unless otherwise stated)

Particulars	Currency	Effective interest rate	Maturities	Terms of repayment
From related parties				
- Loan from Affle Holdings Pte. Ltd. vide loan agreement dated February 28, 2020	USD	2.00%	Dec-21	The outstanding amount of loan is payable in 18 equal monthly installments starting from August 31, 2020 along with applicable interest.
- Loan from Affle Holdings Pte. Ltd. vide loan agreement dated March 26, 2020	USD	2.00%	Sep-21	The outstanding amount of loan is payable in 14 equal monthly installments starting from August 31, 2020 along with applicable interest.
- Loan from Affle Global Pte. Ltd. vide loan agreement dated July 25, 2019	USD	3.00%	Aug-20	The outstanding amount of loan is payable in 3 equal monthly installments starting from May 31, 2020 along with applicable interest.
From financial institutions				
- Loan from Banco Bilbao Vizcaya Argentaria, S.A. vide approval dated March 8, 2018	Euro	3.35%	Mar-21	The outstanding amount of loan is payable in 4 equal quarterly installments along with applicable interest.
- Loan from Bankinter, S.A. vide approval in 2018	Euro	2.75%	May-22	The outstanding amount of loan is payable in 26 equal monthly installments along with applicable interest.
- Loan from Banco de Sabadell, S.A. vide approval April 3, 2019.	Euro	1.75%	Jun-21	The outstanding amount of loan is payable in 5 equal quarterly installments along with applicable interest.
- Cash credit facility from Banco Bilbao Vizcaya Argentaria, S.A. vide approval dated March 8, 2018	Euro	Euribor 3M+ 300 bp	Repayable on demand	Interest is payable on monthly basis.
- Click and pay facility from Banco Bilbao Vizcaya Argentaria, S.A.	Euro	1.25%	Repayable on demand	The outstanding amount of loan is payable in 3 equal monthly installments along with applicable interest.
- Loan from Axis Bank Limited, Singapore vide approval dated August 6, 2020	USD	1 Month Libor + 3%	June 30, 2024	The outstanding amount of loan is payable in 14 quarterly installments along with applicable interest.
From non-financial institutions				
Ministry of Energy, Industry and Tourism (Avanza program) dated September 9, 2014	Euro	0.51%	Apr-21	The outstanding amount of loan is payable in 12 equal monthly installments along with applicable interest.
Ministry of Energy, Industry and Tourism (Emprendetur I+D+i program) dated September 30, 2016.	Euro	0.57%	Sep-21	The outstanding amount of loan is payable in September 2021 along with applicable interest.
Technological and Industrial Development Center dated July 2019	Euro	0.00%	Jun-30	The disbursement of the entire loan has not yet happened. The outstanding amount is repayable in June 2030.
Billfront Limited vide approval dated July 8, 2017	Euro	2.50%	NA	This is a bill discounting facility payable in 30-45 days along with applicable interest.

Notes:

1. Following are the unsecured loans due to related parties (refer note 32)

(Amount in INR million, unless otherwise stated)

	Non-current		Current	
	As at		As at	
Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Affle Holdings Pte. Ltd., Singapore	146.47	241.23	87.88	233.70
Affle Global Pte. Ltd., Singapore	219.70	-	-	45.23
	366.17	**241.23**	**87.88**	**278.93**

Loan covenants

"Axis bank loan contain certain financial covenants relating to debt service coverage ratio, interest coverage ratio, asset coverage ratio and debt EBIDTA ratio to be tested on periodic basis on the standalone and consolidated results of the Group. The Group has satisfied all financial covenants prescribed in the terms of bank loan.

The other loans do not carry any financial covenants.

The Group has not defaulted on any loans payable."

16. Trade payables

	As at	
Particulars	March 31, 2021	March 31, 2020
Trade payables:		
- total outstanding dues of micro enterprises and small enterprises (refer note 38)	4.39	6.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,255.50	743.33
Total	**1,259.89**	**750.18**

Notes:

1. Following are the amounts due to related parties (refer note 32)

	As at	
Particulars	March 31, 2021	March 31, 2020
Affle X Private Limited	9.94	28.74
	9.94	**28.74**

(Amount in INR million, unless otherwise stated)

17. Other financial liabilities

	Non-current		Current	
	As at			
Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
At amortised cost				
Salary payable	-	-	75.55	51.69
Others				
- Deferred payment compensation to the erstwile shareholders of the subsidiary (refer note 39)	893.04	117.58	166.21	18.65
Total	**893.04**	**117.58**	**241.76**	**70.34**

Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing and are normally settled on 60-day terms.

18. Other current liabilities

	As at	
Particulars	March 31, 2021	March 31, 2020
Statutory dues payable	51.91	49.23
	51.91	**49.23**

19. Revenue from contracts with customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	As at	
Particulars	March 31, 2021	March 31, 2020
Type of service		
Consumer platform	5,074.54	3,245.57
Enterprise platform	93.25	92.26
Total revenue from contracts with customers	**5,167.79**	**3,337.83**

	As at	
Particulars	March 31, 2021	March 31, 2020
Geographical markets		
India	2,465.21	1,685.44
Outside India	2,702.58	1,652.38
Total revenue from contracts with customers	**5,167.79**	**3,337.82**

	As at	
Particulars	March 31, 2021	March 31, 2020
Timing of revenue recognition		
Services transferred at a point in time	5,074.54	3,245.57
Services transferred over time	93.25	92.26
Total revenue from contracts with customers	**5,167.79**	**3,337.83**

(Amount in INR million, unless otherwise stated)

(ii) Contract balances

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables (Refer Note 10)	1,079.11	744.35
	1,079.11	**744.35**

Contract assets (net)

A contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract asset is recognised where there is excess of revenue over billings.

Changes in contract asset (net) are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year [net of allowance for impairment amounting to INR 2.39 million (April 1, 2019: INR 2.39 million)]	198.75	131.87
Revenue recognized during the year	5,167.79	3,337.83
Invoices raised during the year	4,840.01	3,270.95
Balance at the end of the year [net of allowance for impairment amounting to INR 2.39 million (March 31, 2020: INR 2.39 million)]	**526.53**	**198.75**

Contract liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	19.25	7.76
Deferred revenue (refer note 45)	213.46	0.27
Total	**232.71**	**8.03**
Current	**58.65**	**8.03**
Non-current	**174.06**	**-**

Changes in advance from customers are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**7.76**	**6.40**
Advance received during the year	246.43	19.12
Advance adjusted against invoices during the year	232.85	17.57
Advance written back	2.09	0.19
Balance at the end of the year	**19.25**	**7.76**

Changes in deferred revenue are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**0.27**	**0.39**
Added during the year	213.46	0.27
Invoiced during the year	0.27	0.39
Balance at the end of the year	**213.46**	**0.27**

Set out below is the amount of revenue recognised from:

Particulars	As at March 31, 2021	As at March 31, 2020
Amounts included in contract liabilities at the beginning of the year	0.27	0.88
Performance obligations satisfied in previous years	-	-

(iii) Performance obligations

Information about the Group's performance obligations are summarised below:

Consumer platform
The performance obligation is satisfied at a point in time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the advertisement services are provided.

Enterprise platform
The performance obligation is satisfied over time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the software development services are provided.

As the duration of the contracts for consumer and enterprise platform is less than one year, the Group has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

Notes:
Due to the adoption of Ind AS 115, there is no impact on the revenue recognised by the Group. Hence, the reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price is not required.

(Amount in INR million, unless otherwise stated)

20. Other income

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Interest income on financial assets measured at amortised cost:		
Bank deposits	21.88	35.44
Security deposits	0.20	0.13
Income tax refund	-	2.62
Fair value gain on financial instruments at fair value through profit or loss (refer note 45)	339.80	-
Miscellaneous income	53.43	22.69
Total	**415.31**	**60.88**

21. Inventory and data costs

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Inventory cost	2,656.72	1,703.44
Platform cost	31.53	72.64
Cloud hosting charges	373.45	193.44
	3,061.70	**1,969.52**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)	(84.68)	(48.12)
Total	**2,977.02**	**1,921.40**

22. Employee benefits expense

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Salaries, wages and bonus	857.70	451.89
Contribution to provident and other funds	19.46	15.22
Gratuity expense (refer note 29)	3.63	3.21
Staff welfare expenses	2.05	6.95
	882.84	**477.27**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)	(342.92)	(204.34)
Total	**539.92**	**272.93**

(Amount in INR million, unless otherwise stated)

23. Finance costs

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Interest on borrowings	20.95	8.56
Interest on lease liabilities	1.72	1.32
Interest on income tax	0.39	0.07
Bank charges	8.72	3.94
Others	4.57	0.33
Total	**36.35**	**14.22**

24. Depreciation and amortisation expense

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Depreciation of property, plant and equipments (refer note 3)	6.85	6.39
Amortisation of other intangible assets (refer note 4)	172.17	117.94
Amortisation of right-of-use assets (refer note 30 (a))	17.33	8.98
	196.35	**133.31**

(Amount in INR million, unless otherwise stated)

25. Other expenses

Particulars	As at March 31, 2021	As at March 31, 2020
Power and fuel	0.36	0.64
Rent	6.21	20.34
Rates and taxes	21.51	12.04
Insurance	6.18	3.63
Repair and maintenance - Others	25.16	7.00
Legal and professional fees (including payment to statutory auditor, refer detail below)*	85.57	88.37
Travelling and conveyance	0.82	20.77
Communication costs	1.01	2.69
Printing and stationery	0.14	0.70
Recruitment expenses	1.60	4.01
Business promotion	92.52	39.34
Bad debts	0.83	12.64
Less: Utilised from impairment allowance of trade receivables	(0.83)	(12.64)
Impairment allowance of trade receivables	17.25	21.52
Advances written off	2.05	-
Loss on disposal of property, plants and equipment (net)	-	0.11
Exchange differences (net)	3.13	8.69
Software license fee	8.04	4.92
Project development expenses	22.95	8.23
Directors sitting fee	7.88	6.64
CSR expenses**	5.41	2.56
Miscellaneous expenses	47.73	16.79
	355.52	**268.99**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 40)	(1.27)	(4.39)
Total	**354.25**	**264.60**

(Amount in INR million, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
***Payment to statutory auditor:**		
As auditors:		
Audit fee	20.20	13.19
In other capacity		
Advisory and certification services	0.52	0.15
Reimbursement of expenses	0.26	0.22
Total	**20.98**	**13.56**

	As at March 31, 2021	As at March 31, 2020
****Details of CSR expenditure:**		
a) Gross amount required to be spent during the year	5.41	2.56

	In Cash	Yet to be paid in cash	Total
b) Amount spent during the year ending on March 31, 2021:			
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	5.41	-	5.41
c) Amount spent during the year ending on March 31, 2020:			
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	2.25	0.31	2.56

26. Other comprehensive income

The disaggregation of changes to other comprehensive income by each type of reserve in equity is shown below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Exchange differences on translating the financial statements of a foreign operation	(53.67)	53.57
Re-measurement (losses) / gains on defined benefit plans	(0.95)	1.55
Income tax effect	0.24	(0.39)
Total	**(54.38)**	**54.73**

27. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the year and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Profit for basic earnings (in million)	1,350.37	655.17
Effect of dilution	-	-
Profit for the effect of dilution (in million)	**1,350.37**	**655.17**
Weighted average number of equity shares used for computing basic earning per share (in million)*	25.49	25.07
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution	**25.49**	**25.07**
Basic EPS (absolute value in INR)	52.96	26.13
Diluted EPS (absolute value in INR)	52.96	26.13

Note: *The weighted average number of equity shares for the year ended March 31, 2020 takes into account the weighted average effect of equity shares issued during that year.

28. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the Grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:
- Capital management, refer note 37
- Financial risk management objectives and policies, refer note 36
- Sensitivity analysis, refer note 29, note 36 and note 39

"This note provides an overview of the areas that involved a higher degree of judgement or complexity. Detailed information on each of these estimates and judgments is included in relevant notes together with information about basis of calculation for each of the line item in the financial statements. Areas involving critical estimates and judgments are:"

(a) Impairment of non-financial assets
Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. Refer Note 39 for further disclosures.

(b) Provision for expected credit losses of trade receivables
Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance of doubtful debts please refer Note 10.

(c) Taxes
Deferred tax assets are recognised for unused tax losses 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 on the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 8 for further disclosures.

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

"The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation."

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India. Further details about gratuity obligations are given in Note 29.

(e) Intangible assets under development
The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. At March 31, 2021, the carrying amount of capitalised intangible asset under development was INR 403.41 million (March 31, 2020: INR 48.00 million).

This amount includes significant investment in the development of platforms.

(f) Fair value measurement of derivative instruments
The Group uses valuation techniques including the DCF model for the fair valuation of derivative instruments recorded in the balance sheet. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of derivative instruments. See note 45 for further details.

(g) Fair value measurement of financial instruments
Contingent consideration meeting the definition of a financial liability, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. It is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor. See note 39.1(ii) for further details.

(Amount in INR million, unless otherwise stated)

(h) Leases- estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

(i) Assessment of purchase price allocation and earn out liabilities based on contingent consideration
The identification and valuation of intangible assets is inherently subjective and involves significant judgements and assumptions around future cash flows and discount rates and fair value measurement of contingent consideration requires estimation and significant judgement on post-acquisition performance of acquired business. Therefore, significant estimates and judgment is required in assessment of purchase price allocation and earn-out liabilities based on the contingent consideration as part of business combination. For more details, refer note 39.

29. Employee benefits

A. Defined contribution plans

Provident fund: The Group makes contribution towards employees' provident fund. The Group has recognised INR 19.46 million (March 31, 2020: INR 15.22 million) as an expense towards contribution to this plan.

B. Defined benefit plans

Gratuity: The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit or loss and other comprehensive income and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are, as follows:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**12.95**	**12.65**
Current service cost	2.76	2.24
Interest cost	0.87	0.97
Benefits paid	(1.06)	(1.36)
Re-measurement losses / (gains) on obligation	0.95	(1.55)
Balance as at the end of the year	**16.47**	**12.95**

Amount recognised in the consolidated statement of profit and loss:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Current service cost	2.76	2.24
Interest cost	0.87	0.97
Net expense recognised in the consolidated statement of profit and loss	**3.63**	**3.21**

Amount recognised in the consolidated other comprehensive income:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Re-measurement loss / (gain) on arising in demographic assumptions	0.03	(2.35)
Re-measurement gain on arising in financial assumptions	-	(3.19)
Re-measurement loss on arising from experience adjustment	0.92	3.99
Net expense / (income) recognised in consolidated other comprehensive income	**0.95**	**(1.55)**

The principal actuarial assumptions used in determining gratuity liability for the Group's plan is shown below:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Discount rate	6.76%	6.76%
Future salary increase	5.00%	5.00%
Withdrawal rate (per annum)		
- Up to 30 years	32.70%	33.00%
- From 31 years to 44 years	32.70%	33.00%
- From 44 years to 58 years	32.70%	33.00%
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(Amount in INR million, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption is as shown below:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Present value of obligation at the end of the year	16.47	12.95
Impact of the change in discount rate		
Impact due to increase of 0.50 %	(0.22)	(0.17)
Impact due to decrease of 0.50 %	0.22	0.17
Impact of the change in salary rate		
Impact due to increase of 0.50 %	0.22	0.17
Impact due to decrease of 0.50 %	(0.22)	(0.17)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting year. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan in future years:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting period)	0.45	3.49
Between 1 and 5 years	8.87	7.10
Between 5 and 10 years	7.15	2.36
Total expected payments	**16.47**	**12.95**

The average duration of the defined benefit plan obligation at the end of the reporting year is 2.49 years (March 31, 2020: 2.46 years).

30. Commitments and contingent liability

a. Leases

Group as lessee

The Group has taken office premises on lease. The lease has been entered for a period ranging from one to five years with renewal option. The Group has the option, under some of its lease, to renew the lease for an additional years on a mutual consent basis.

The incremental borrowing rate for the lease liabilities of the Group ranges from 2% to 11% per annum.

(Amount in INR million, unless otherwise stated)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**36.54**	**-**
Addition during the year	-	45.59
Amortisation during the year	17.33	8.98
Exchange differences (net)	(0.18)	(0.07)
Balance as at the end of the year	**19.03**	**36.54**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**37.17**	**-**
Addition during the year	-	45.59
Accretion of interest	1.72	1.32
Payments during the year	(15.63)	(9.74)
Rebate received during the year	(4.78)	-
Exchange differences (net)	0.41	-
Balance as at the end of the year	**18.89**	**37.17**
Current	**11.42**	**17.09**
Non-current	**7.47**	**20.08**

The following are the amounts recognised in consolidated statement of profit or loss:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Amortisation of right-of-use assets	17.33	8.98
Interest expense on lease liabilities	1.72	1.32
Expenses relating to short term leases (included in other expenses)	4.09	12.43
Expenses relating to low value assets (included in other expenses)	0.06	0.05

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2021	16.07	10.61	5.46	-	-
As at March 31, 2020	45.89	23.88	15.40	6.61	-

Note: The Group has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs ('MCA') on July 24, 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Group recognized an amount of INR 4.78 million as other income. The Group has further got rent waivers for other premises taken on lease and it has resulted in cost saving of INR 3.30 million during period ended March 31, 2021.

(Amount in INR million, unless otherwise stated)

b. Capital commitments

As at March 31, 2021, the Group has commitments on capital account and not provided for (net of advances) is INR 62.37 million (March 31, 2020: INR 15.35 million).

c. Contingent liabilities

(i) Claims against the Group not acknowledged as debts includes the following:

- Income tax demand from the Income tax authorities for assessment year 2017-18 of INR 64.88 million on account of disallowance of bad debts written off, advances written off, amortisation of goodwill and certain expenses under various heads as claimed by the Group in the income tax. The matter is pending before Commissioner of Income Tax (Appeals), Mumbai.

- Income tax demand from the Income tax authorities for assessment year 2015-16 of INR 2.95 million on account of disallowance of availment of cenvat credit and write off of certain advances in the income tax. The matter is pending before ITAT.

The Group is contesting the demands and the Management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Group's financial position and results of operations. The likelihood of the above cases going in favour of the Group is probable and accordingly have not considered any provision against the demands in the financial statements.

31. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiary listed in the table below:

				% equity interest as at	
Name	**Country of Incorporation**	**Principal activities**	**Name of Holding**	**March 31, 2021**	**March 31, 2020**
Affle International Pte. Ltd., Singapore	Singapore	Mobile advertisement services	Affle (India) Limited	100%	100%
PT Affle Indonesia, Indonesia	Indonesia	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	100%
Affle MEA FZ-LLC, Dubai	Dubai	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	100%
Mediasmart Mobile S.L., Spain	Spain	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	100% *
Mediasmart Mobile Limited, London**	London	Mobile advertisement services	Mediasmart Mobile S.L., Spain	100%	100%
Appnext Pte. Ltd., Singapore	Singapore	Mobile advertisement services	Affle International Pte. Ltd., Singapore	95% ***	-
Appnext Technologies Ltd., Israel	Israel	Mobile advertisement services	Affle International Pte. Ltd., Singapore	100%	-

Note:

* Includes 94.78% stake acquired by the Group and for balance 5.22% the Group has acquired voting rights and has definite agreement for purchase of shares and therefore, has been consolidated at 100%.

** the subsidiary has been dissolved w.e.f. March 23, 2021.

*** Includes 66.67% stake acquired by the Group and for balance 28.33% the Group has acquired voting rights and has option to purchase of shares after 3 years and therefore, has been consolidated at 95%.

(Amount in INR million, unless otherwise stated)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR million	As % of consolidated profit and loss	INR million	As % of consolidated other comprehensive income	INR million	As % of total comprehensive income	INR million
Parent								
Affle (India) Limited								
Balance as at March 31, 2021	53.79%	1,931.89	20.90%	282.27	1.31%	(0.71)	21.73%	281.56
Balance as at March 31, 2020	72.02%	1,650.33	50.19%	328.85	2.12%	1.16	46.49%	330.01
Foreign Subsidiaries								
Affle International Pte. Ltd., Singapore								
Balance as at March 31, 2021	44.35%	1,593.06	25.72%	347.27	0.00%	-	26.80%	347.27
Balance as at March 31, 2020	22.06%	505.44	29.36%	192.38	0.00%	-	27.10%	192.38
PT Affle Indonesia, Indonesia								
Balance as at March 31, 2021	0.66%	23.63	0.55%	7.47	0.00%	-	0.58%	7.47
Balance as at March 31, 2020	-0.26%	(6.04)	0.09%	(0.62)	0.00%	-	-0.09%	(0.62)
Affle MEA FZ-LLC, Dubai								
Balance as at March 31, 2021	19.83%	712.38	43.34%	585.43	0.00%	-	45.17%	585.43
Balance as at March 31, 2020	5.91%	135.53	19.60%	128.44	0.00%	-	18.09%	128.44
Mediasmart Mobile S.L., Spain (consolidated)								
Balance as at March 31, 2021	0.08%	2.90	5.95%	80.48	0.00%	-	6.21%	80.48
Balance as at March 31, 2020	0.28%	6.33	0.94%	6.12	0.00%	-	0.86%	6.12
Appnext Pte. Ltd, Singapore								
Balance as at March 31, 2021	2.35%	84.39	3.46%	46.65	0.00%	-	3.60%	46.65
Balance as at March 31, 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Appnext Technologies Ltd. Israel								
Balance as at March 31, 2021	0.02%	0.82	0.07%	0.80	0.00%	-	0.06%	0.80
Balance as at March 31, 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Adjustment arising out of consolidation								
Balance as at March 31, 2021	-21.08%	(757.25)	0.00%	-	98.69%	(53.67)	-4.14%	(53.67)
Balance as at March 31, 2020	0.00%	-	0.00%	-	97.88%	53.57	7.55%	53.57
Total								
Balance as at March 31, 2021	**100.00%**	**3,591.82**	**100.00%**	**1,350.37**	**100.00%**	**(54.38)**	**100.00%**	**1,295.99**
Balance as at March 31, 2020	**100.00%**	**2,291.59**	**100.00%**	**655.17**	**100.00%**	**54.73**	**100.00%**	**709.90**

(Amount in INR million, unless otherwise stated)

32. Related party disclosures

(i) Names of related parties and related party relationship

S.No.	Relationship	Name of the related party
(i)	Holding company	Affle Holdings Pte. Ltd. Singapore
(ii)	Fellow subsidiaries	Affle X Private Limited Affle Global Pte. Ltd., Singapore
(iii)	Key management personnel	• Anuj Kumar (Director) • Anuj Khanna Sohum (Chairman, Managing Director & Chief Executive Officer) • Kapil Mohan Bhutani (Chief Financial & Operations Officer) [Director till May 30, 2020] • Akanksha Gupta (Company Secretary) [till April 30, 2019] • Parmita Choudhury (Company Secretary) [w.e.f. June 01, 2019] • Bijynath Nawal (Independent Director) • Sumit Mamak Chadha (Independent Director) • Vivek Narayan Gour (Independent Director) • Naresh Chand Gupta (Independent Director) [till May 31, 2020] • Sudhir Mohanlal Jatia (Independent Director) [till May 31, 2020]

(ii) The following table provides the total value of transactions that have been entered into with related parties for the relevant year:

Particulars	Fellow subsidiaries For the year ended March 31, 2021	Fellow subsidiaries For the year ended March 31, 2020	Holding company For the year ended March 31, 2021	Holding company For the year ended March 31, 2020
Reimbursement of expenses to the Group				
Affle Holdings Pte. Ltd., Singapore	-	-	14.84	121.91
Affle Global Pte. Ltd., Singapore	4.79	6.88	-	-
Reimbursement of expenses by the Group				
Affle Holdings Pte. Ltd., Singapore	-	-	-	0.19
Rendering of service by the Group*				
Affle Holdings Pte. Ltd., Singapore	-	-	-	13.38
Affle Global Pte. Ltd., Singapore	-	1.57	-	-
Rendering of service to the Group				
Affle Holdings Pte. Ltd., Singapore	-	-	10.02	7.51
Affle Global Pte. Ltd., Singapore	0.35	2.09	-	-
Affle X Private Limited	51.11	48.33	-	-
Current borrowings (net)				
Affle Holdings Pte. Ltd., Singapore	-	-	226.85	376.93
Affle Global Pte. Ltd., Singapore	43.83	128.16	-	-
Non-current borrowings (net)				
Affle Holdings Pte. Ltd., Singapore	-	-	-	233.70
Affle Global Pte. Ltd., Singapore	219.70	45.23	-	-

(Amount in INR million, unless otherwise stated)

Transaction with key management personnel

Particulars	For the year ended March 31, 2021	March 31, 2020
Compensation paid:**		
Anuj Kumar		
Short-term employee benefits	9.43	11.63
Kapil Mohan Bhutani		
Short-term employee benefits	9.75	9.30
Parmita Choudhury (w.e.f. June 01, 2019)		
Short-term employee benefits	0.89	0.71
Other reimbursements	0.00	-
Akanksha Gupta (till April 30, 2019)		
Short-term employee benefits	-	0.15
Anuj Khanna Sohum		
Short-term employee benefits	0.25	0.25
Bijynath Nawal		
Sitting fees	1.35	0.72
Naresh Chand Gupta (till May 31, 2020)		
Sitting fees	0.18	1.26
Sudhir Mohanlal Jatia (till May 31, 2020)		
Sitting fees	0.18	0.45
Sumit Mamak Chadha		
Sitting fees	1.62	1.35
Vivek Narayan Gour		
Sitting fees	1.17	1.08

Note:

* Includes other income of INR Nil (March 31, 2020: INR 2.77 million).

** The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole. Also, it does not include provision for incentives, payable on the basis of actual performance parameters, in next year.

(Amount in INR million, unless otherwise stated)

(iii) Balances as at the year end

Particulars	Fellow subsidiaries As at March 31, 2021	Fellow subsidiaries March 31, 2020	Holding company March 31, 2021	Holding company March 31, 2020
Trade receivables				
Affle Global Pte. Ltd., Singapore	-	0.23	-	-
Other current financial assets				
Affle Global Pte. Ltd., Singapore	-	0.02	-	-
Affle Holdings Pte. Ltd., Singapre	-	-	-	0.04
Non-current borrowings				
Affle Holdings Pte. Ltd., Singapre	-	-	146.47	241.23
Affle Global Pte. Ltd., Singapore	219.70	-	-	-
Current borrowings				
Affle Holdings Pte. Ltd., Singapre	-	-	87.88	233.70
Affle Global Pte. Ltd., Singapore	-	45.23	-	-
Trade payables				
Affle X Private Limited	9.94	28.74	-	-

Particulars	Key management personnel As at March 31, 2021	March 31, 2020
Payable to key management personnel:		
Parmita Choudhury (w.e.f. June 01, 2019)		
Salary payable	0.08	0.07
Anuj Kumar		
Salary payable	0.73	0.73
Kapil Mohan Bhutani		
Salary payable	0.83	0.65
Anuj Khanna Sohum		
Salary payable	0.02	0.02

No amount has been written off or written back in the year in respect of debts due from/to above related parties.

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2021 and March 31, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(Amount in INR million, unless otherwise stated)

33. Segment information

The Group's operations pre-dominantly relate to providing mobile advertising services through consumer intelligence platforms.

The Board of Directors, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Group's performance and allocates resources based on the analysis of the various performance indicators of the Group as a single unit. Therefore, there is no reportable segment for the Group as per the requirements of Ind AS 108 "Operating Segments".

Geographical information

In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets, which have been based on the geographical location of the assets.

Year ended and as at March 31, 2021

Particulars	India	Outside India	Total
Revenue from contracts with customers			
Sales to external customers	2,465.21	2,702.58	5,167.79
Other segment information			
Non-current assets (other than financial assets and income tax asset (net))	334.94	3,674.78	4,009.72
Capital expenditure:			
Property, plant and equipment	8.37	1.58	9.95
Other intangible assets	34.73	97.03	131.76

Year ended and as at March 31, 2020

Particulars	India	Outside India	Total
Revenue from contracts with customers			
Sales to external customers	1,685.44	1,652.38	3,337.82
Other segment information			
Non-current assets (other than financial assets and deferred tax asset)	318.31	1,357.40	1,675.71
Capital expenditure:			
Property, plant and equipment	5.88	4.68	10.56
Intangible assets	57.28	267.32	324.60

Information about major customers

The Group had one and two customers that each contributed more than 10% of the Group's revenue from contracts with customers for the year ended March 31, 2021 and March 31, 2020 respectively. The total amount of revenue from contracts with these customers for the year ended March 31, 2021 was INR 546.10 million (March 31, 2020: INR 491.65 million).

(Amount in INR million, unless otherwise stated)

34. Statement of fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

Particulars	March 31, 2021		March 31, 2020	
	Fair value through profit and loss	Amortised cost	Fair value through profit and loss	Amortised cost
Financial assets				
A. FVTPL financial instruments:				
Investments	758.43	-	0.26	-
Derivative instrument	237.80	-	-	-
B. Amortised Cost:				
Loans	-	23.99	-	47.39
Trade receivables	-	1,079.11	-	744.35
Cash and cash equivalent	-	491.49	-	695.90
Other bank balances	-	140.96	-	568.81
Other financial assets	-	179.46	-	10.40
Total	**996.23**	**1,915.01**	**0.26**	**2,066.85**
Financial liabilities				
Amortised Cost:				
Borrowings	-	1,168.43	-	**637.83**
Trade payables	-	1,259.89	-	**750.18**
Lease liabilities	-	18.89	-	**37.17**
Other financial liabilities	1,059.25	75.55	136.23	**51.69**
Total	**1,059.25**	**2,522.75**	**136.23**	**1,476.87**

The management assessed that cash and cash equivalent, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts and fair value of the Group's financial instuments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Further, the subsequent measurements of all assets and liabilities (other than investments) is at amortised cost, using effective interest rate (EIR) method.

The following methods and assumptions were used to estimate the fair values:

Receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(Amount in INR million, unless otherwise stated)

(Amount in INR million, unless otherwise stated)

35. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
Level 3: Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

Particulars	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2021	758.43	-	-	758.43
Derivative instrument	March 31, 2021	237.80	-	-	237.80
Assets measured at FVTOCI	March 31, 2021	-	-	-	-
Liabilities measured at FVTPL					
Other financial liabilities	March 31, 2021	1,059.25	-	-	1,059.25
Liabilities measured at FVTOCI	March 31, 2021	-	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2021.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

Particulars	Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2020	0.26	-	-	0.26
Assets measured at FVTOCI	March 31, 2020	-	-	-	-
Liabilities measured at FVTPL					
Other financial liabilities	March 31, 2020	136.23	-	-	136.23
Liabilities measured at FVTOCI	March 31, 2020	-	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2020.

Valuation technique used to derive fair values
The Group's unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. 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 equity investments.

36. Financial risk management objectives and policies

The Group's principal financial liabilities comprise of borrowings, trade payables, lease liabilities and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market price.

(i) 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's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group does not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading/speculation purpose.

(Amount in INR million, unless otherwise stated)

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	As at			
	March 31, 2021		March 31, 2020	
Particulars	Foreign currency	Amount in INR	Foreign currency	Amount in INR
Trade payables				
USD	1.15	83.86	1.51	113.62
SGD	0.57	30.72	0.09	4.81
AED	0.00	0.04	0.00	0.09
EURO	0.00	0.07	-	-
GBP	0.00	0.12	-	-
MYR	-	-	-	-
Other financial liabilities				
EURO	1.40	120.59	1.64	136.23
Contract liabilities				
USD	0.00	0.02	0.03	2.26
Trade receivables				
USD	1.07	78.12	0.80	60.43
SGD	0.32	17.37	0.13	6.92
MYR	0.26	4.50	3.77	65.18
EURO	0.02	1.52	0.01	0.80
CAD	-	-	0.02	1.01
IDR	67.46	0.34	-	-
GBP	0.02	1.65	0.22	20.46
RUB	0.55	0.52	-	-
Cash and cash equivalents				
USD	0.72	52.65	0.48	36.11
AED	0.13	2.59	0.11	2.26
SGD	0.17	9.04	0.08	4.23
GBP	0.00	0.25	-	0.28
RUB	0.01	0.01	-	-
EURO	0.09	7.62	-	-

(Amount in INR million, unless otherwise stated)

The following table demonstrate the sensitivity to a reasonable possible change in exchange rates on profit before tax arising as a result of the revaluation of the Group's foreign currency financial assets and unhedged liabilities.

	Effect on profit before tax	Effect on pre-tax equity	Effect on profit before tax	Effect on pre-tax equity
Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Effect of 10% strengthening of INR against USD*	(4.69)	(4.69)	1.93	1.93
Effect of 10% strengthening of INR against SGD*	0.43	0.43	(0.63)	(0.63)
Effect of 10% strengthening of INR against MYR*	(0.45)	(0.45)	(6.52)	(6.52)
Effect of 10% strengthening of INR against EURO*	11.15	11.15	13.54	13.54
Effect of 10% strengthening of INR against CAD*	-	-	(0.10)	(0.10)
Effect of 10% strengthening of INR against AED*	(0.26)	(0.26)	(0.22)	(0.22)
Effect of 10% strengthening of INR against GBP*	(0.18)	(0.18)	(2.07)	(2.07)
Effect of 10% strengthening of INR against IDR*	(0.03)	(0.03)	-	-
Effect of 10% strengthening of INR against RUB*	(0.05)	(0.05)	-	-
Effect of 10% weakening of INR against USD**	4.69	4.69	(1.93)	(1.93)
Effect of 10% weakening of INR against SGD**	(0.43)	(0.43)	0.63	0.63
Effect of 10% weakening of INR against MYR**	0.45	0.45	6.52	6.52
Effect of 10% weakening of INR against EURO**	(11.15)	(11.15)	(13.54)	(13.54)
Effect of 10% weakening of INR against CAD**	-	-	0.10	0.10
Effect of 10% weakening of INR against AED**	0.26	0.26	0.22	0.22
Effect of 10% weakening of INR against GBP**	0.18	0.18	2.07	2.07
Effect of 10% weakening of INR against IDR**	0.03	0.03	-	-
Effect of 10% weakening of INR against RUB**	0.05	0.05	-	-

Note:

* Figures in bracket signifies credit to consolidated statement of profit and loss.

** Figures in bracket signifies credit to consolidated statement of profit and loss

(Amount in INR million, unless otherwise stated)

b. Interest risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has availed term loans for a limited time and has fulfilled its interest obligation without any default. The Group does not foresee any significant exposure due to change in interest rate.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the Group operates. The Group write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position.

All the financial assets carried at amortised cost were into good category except some portion of trade receivables considered under doubtful category (Refer Note 10)

Trade receivables and contract assets

Trade receivables and contract assets are typically unsecured. Credit risk is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Group is exposed to credit risk in the event of non-payment by customers. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for the customers. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade receivables disclosed in note 10 include amounts which are past due at the reporting date but against which the Group has not recognized an allowance for doubtful receivables because the amount are still considered recoverable.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Contract assets	Trade receivables						
Particulars	**Current**	**0-90 days**	**90-180 days**	**180-360 days**	**1-2 year**	**2-3 year**	**> 3 year**	**Total**
March 31, 2021								
ECL rate	0.45%	0.00%	3.63%	23.97%	77.49%	93.03%	100.00%	
- Gross carrying amount	528.92	1,005.25	58.64	32.04	16.66	33.84	21.27	**1,167.70**
- ECL - Simplified approach	2.39	13.13	2.13	7.68	12.91	31.48	21.27	**88.60**
- Net carrying amount	**526.53**	**992.12**	**56.51**	**24.36**	**3.75**	**2.36**	**-**	**1,079.10**
March 31, 2020								
- Gross carrying amount	201.14	617.48	93.76	30.65	41.90	10.19	18.83	**812.81**

The Group has provision of INR 88.60 million (March 31, 2020: INR 68.46 million) for impairment of trade receivables and a provision of INR 2.39 million (March 31, 2020: INR 2.39 million) for contract assets.

Reconciliation of impairment allowance on trade receivables

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Opening impairment allowance	68.46	35.95
Add: Asset originated	17.25	21.52
Acquired during business combination (Refer Note 39)	-	23.63
Less: write-offs (net of recovery)	(0.83)	(12.64)
Exchange differences (net)	3.72	-
Closing impairment allowance	**88.60**	**68.46**

None of those trade receivables past due or impaired have had their terms renegotiated. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables presented in the financial statement. The Group does not hold any collateral or other credit enhancements over balances with third parties nor does it have a legal right of offset against any amounts owed by the Group to the counterparty. For receivables which are overdue the Group has subsequently received payments and has reduced its overdue exposure.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

d. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Group also monitors compliance with its debt covenants. The maturity profile of the Group's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	**Contractual undiscounted value**	**0-1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
As at March 31, 2021					
Borrowings	1,168.43	275.22	893.21	-	-
Trade payables	1,259.89	1,255.11	2.64	2.14	-
Lease liabilities	16.07	10.61	5.46	-	-
Other financial liabilities	1,134.80	241.76	893.04	-	-
	3,579.19	**1,782.71**	**1,794.35**	**2.14**	**-**
As at March 31, 2020					
Borrowings	637.83	357.24	280.60	-	-
Trade payables	750.18	745.40	2.64	2.14	-
Lease liabilities	45.89	23.88	15.40	6.61	-
Other financial liabilities	187.92	70.34	117.58	-	-
	1,621.82	**1,196.86**	**416.22**	**8.75**	**-**

(Amount in INR million, unless otherwise stated)

37. Capital management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

For the purpose of the Group's capital management, capital includes issued equity capital general reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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, trade and other payables, less cash and cash equivalents. The Group's policy is to keep the gearing ratio between 0% and 50%.

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Borrowings [Note 15]	1,168.43	637.83
Trade payables [Note 16]	1,259.89	750.18
Other financial liabilities [Note 17]	1,134.80	187.92
Less: Cash and cash equivalent [Note11]	(491.49)	(695.90)
Net debts	**3,071.63**	**880.03**
Total capital	**3,587.58**	**2,291.59**
Capital and net debt	**6,659.21**	**3,171.63**
Gearing ratio (%)	**46%**	**28%**

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 borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year.

38. Dues to micro and small enterprises as defined under the MSMED Act, 2006

In term of the requirement of the Micro, Small and Medium Enterprise Development Act, 2006, the Group has continuously sought confirmations. Based on the information available with the Group, the following are the details of principal/ interest amount due to micro and small enterprises.

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	4.39	6.85
- Interest due thereon	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil

39. Business combination

39.1 Business combinations under non common control entities

(i) Acquisition of Appnext Pte. Ltd.

Affle International Pte. Ltd., Singapore (""Affle International""), a wholly owned Subsidiary of Affle (India) Limited (""the Company"") has acquired 66.67% shares and 95% control in Appnext Pte. Ltd. ("Appnext"), vide Share Purchase Agreement. Also, Affle MEA FZ-LLC, Dubai (""Affle MEA""), a step down subsidiary of the Company has entered into an Intellectual Property Purchase Agreement to acquire Tech IP assets of Appnext. Both the above agreements are dated June 08, 2020, however, as per Ind AS 110, the consolidation has been done effective June 01, 2020 for convenience, being start of the month or quarter, as the date of acquisition.

Further, Affle International also has right to acquire 28.33% shares of Appnext at the end of three years from the date of completion of the Share Purchase Agreement which has been accounted as per anticipated acquisition method.

Total purchase consideration of INR 1,851.43 million (equivalent to USD 25.28 million) is as follows:

> For 66.67% shares - consideration of INR 1,204.73 million (equivalent to USD 16.45 million)
> For 28.33% shares - consideration of INR 604.20 million (equivalent to USD 8.25 million) which is recorded in books as of March 31, 2021 at a value of INR 588.11 million (equivalent to USD 8.03 million)
> For Tech IP assets - consideration of INR 58.59 million (equivalent to USD 0.80 million)

(Amount in INR million, unless otherwise stated)

Affle International and its subsidiary Affle MEA FZ-LLC, Dubai acquired Appnext so as to continue the expansion of the consumer platform.

Assets acquired and liabilities assumed
The fair values of the identifiable assets and liabilities of Appnext as at the date of acquisition were:

Fair value recognised on acquisition	INR million
Total Assets acquired	126.91
Total Liabilities acquired	87.21
Total net assets at fair value	**39.70**
Non-controlling interest (5% of net assets)	**(1.98)**
Total identifiable net assets	
- Other intangible assets	58.59
Goodwill arising on acquisition	1,755.12
Purchase consideration transferred	**1,851.43**

Analysis of cash flow on acquisition	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	1.24
Consideration paid in cash (included in cash flows from investing activities)	1,135.16
Consideration payable in cash*	716.27
Net cash flow on acquisition	**1,852.68**

Note: *included in other non-current and current financial liabilities.

Acquisition related costs
Affle International has incurred acquisition-related costs of INR 1.24 million on legal fees and due diligence costs.

Anticipated acquisition
Affle International also has right to acquire 28.33% shares of Appnext at a value of INR 604.20 million (equivalent to USD 8.25 million) which is recorded in books as of March 31, 2021 at a value of INR 588.11 million (equivalent to USD 8.03 million) at the end of three years from the date of completion of the Share Purchase Agreement which has been accounted as per anticipated acquisition method where the recognition of the financial liability implies that the interests subject to the purchase are deemed to have been acquired already. Therefore, the corresponding interests are presented as already owned by the Group even though legally they are still non-controlling interests.

As at March 31, 2021, the key performance indicators of Appnext reflects high probability that the projected event linked to payment of contingent consideration will be met and hence the fair value of the contingent consideration has been estimated to be INR 588.11 million. A reconciliation of fair value measurement of the contingent consideration liability is provided below:

	INR million
Opening balance as at April 1, 2020	-
Liability arising on business combination	588.11
Unrealised fair value changes recognized in statement of profit and loss	-
Closing balance as at March 31, 2021	**588.11**

(Amount in INR million, unless otherwise stated)

Further, Affle International also has right to acquire the remaining 5% shares at a mutually agreed value to be determined at the end of five years from the date of completion of the Share Purchase Agreement. As at the year end, the remaining 5% shares have been recorded as Non-controlling interests which the group has elected to measure at the proportionate share of its interest in Appnext's net identifiable assets.

The goodwill and assets identified in case of above acquisition is based on provisional purchase price allocation ("PPA") available with Affle International and its subsidiary. The management of Affle International and its subsidiary shall be using the services of an external expert to carry out a detailed PPA of the purchase consideration paid / payable to the shareholders of Appnext. Adjustment, resulting from such PPA shall be carried out in the financial statements of Affle International and its subsidiary. Consequently, the values of assets and liabilities acquired, and the resultant goodwill could be materially different once the PPA valuation is completed. The forgoing is in line with the provisions of Ind AS 103 Business Combinations which allows the initial accounting for a business combination to be completed within one year from the acquisition date.

(ii) Acquisition of Mediasmart Mobile S.L., Spain

Affle International Pte. Ltd., Singapore (""Affle International""), a wholly owned Subsidiary of Affle (India) Limited (""the Company"") has acquired 100% control in Mediasmart Mobile S.L., Spain (""Mediasmart""), vide Share purchase Agreement dated February 28, 2020, for a consideration of INR 363.27 million w.e.f. January 22, 2020. Also, Affle MEA FZ-LLC, Dubai (""Affle MEA""), a step down subsidiary of the Company has entered into an Assets Purchase Agreement dated February 27, 2020, to acquire all Tech IP assets of Mediasmart for a consideration of INR 26.33 million. The total purchase consideration transferred is INR 389.61 million.

Affle International had obtained control by virtue of a legally enforceable MoU entered between Affle International and shareholders of Mediasmart dated January 22, 2020. However, as per Ind AS 110, the consolidation has been done effective January 1, 2020 for convenience, being start of the month and quarter, as the date of acquisition.

Affle International and its subsidiary - Affle MEA FZ-LLC, Dubai acquired Mediasmart so as to continue the expansion of the consumer platform segment and technology platform.

Assets acquired and liabilities assumed

The management of Affle International and Affle MEA FZ-LLC has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Mediasmart. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 389.61 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. The accounting for this business combination has been finalised as at date of the financial statements.

The fair values of the identifiable assets and liabilities of Mediasmart as at the date of acquisition were:

Fair value recognised on acquisition	INR million
Total Assets acquired	194.18
Total Liabilities acquired	277.32
Total net assets at fair value	**(83.14)**
Total identifiable net assets	
- Non-compete	19.10
- Other intangible assets	26.33
Goodwill arising on acquisition	427.31
Purchase consideration transferred	**389.61**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	2.55
Consideration paid in cash (included in cash flows from investing activities)	352.16
Net assets acquired of Mediasmart (included in cash flows from investing activities)	(83.14)
Consideration payable in cash*	120.58
Net cash flow on acquisition	**392.16**

Note: *included in other non-current and current financial liabilities.

Acquisition related costs

Affle International has incurred acquisition-related costs of INR 2.55 million on legal fees and due diligence costs. These costs have been recognised as an expense in statement of profit or loss in the previous year, within the 'other expenses' line item.

Contingent consideration

As part of the Share Purchase Agreement signed between Affle International and shareholders of Mediasmart, a contingent consideration of INR 101.48 million has been agreed. The amount of contingent consideration is included in the total purchase consideration mentioned above and shall be payable to the shareholders of Mediasmart upon meeting the earning targets.

As at March 31, 2021, the key performance indicators of Mediasmart reflects highly probability that the projected event linked to payment of contingent consideration will be met and hence the fair value of the contingent consideration has been estimated to be INR 101.48 million. A reconciliation of fair value measurement of the contingent consideration liability is provided below:

	INR million
Opening balance as at April 1, 2020	101.48
Unrealised fair value changes recognised in the consolidated statement of profit and loss	-
Closing balance as at March 31, 2021	**101.48**

(iii) Acquisition of identified business of Shoffr Pte. Ltd.

Effective February 19, 2019, Affle International Pte Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Business ("Identified Business") of Shoffr Pte. Ltd. ("Shoffr") for a consideration of INR 41.46 million. Affle International acquired the Identified Business of Shoffr so as to grow and strengthen the consumer and enterprise platform segment.

Assets acquired and liabilities assumed

a) Affle International acquired intangible assets of the Identified Business including the Intellectual Properties, domain name, business relationships, employees and non-compete, the book value of which was Nil on the date of acquisition. The management of Affle International has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Shoffr. Pursuant to such PPA valuation, conducted by an independent expert, it was concluded that there were no identifiable intangible assets which would meet the recognition criteria and hence the entire consideration of INR 41.46 million has been allocated to Goodwill. The accounting for this business combination was finalised in the previous year's financial statement.

(Amount in INR million, unless otherwise stated)

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	41.46
Net cash flow on acquisition	**41.46**

b) Pursuant to the business purchase agreement dated February 19, 2019, INR 7.5 million was payable after 3rd year of successful integration and performance of Shoffr business undertaking on February 19, 2022. This was recorded as a shareholder liability in the books in the earlier year. In the year ended March 31, 2020, the above deferred consideration was waived off by the shareholders through a mutual settlement with Affle International owing to negotiations and exit of one of the shareholders. As the deferred consideration was not contingent upon any future event and that there was no conditions existing on the date of acquisition which substantiates that this consideration will not be payable as on the respective due date or as at the year ended March 31, 2020, it was recorded as other income in previous year's financial statements.

(iv) Acquisition of identified business of Discover Tech Limited

Effective January 1, 2021, Affle MEA FZ-LLC, Dubai ("AMEA"), step-down subsidiary of the Company acquired the Business ("Identified Business") of Discover Tech Limited ("Discover Tech") for a consideration of INR 331.03 million. AMEA acquired the Identified Business of Discover Tech so as to grow and strengthen the consumer platform segment.

Assets acquired and liabilities assumed

AMEA acquired intangible assets of the Identified Business including the Intellectual Properties, domain name, business relationships and non-compete, the book value of which was Nil on the date of acquisition. Further, based on the initial assessment done by the management, AMEA has not identified any intangible assets and has recorded the entire amount under Goodwill.

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	90.74
Consideration payable in cash	240.29
Net cash flow on acquisition	**331.03**

The management of AMEA shall be using the services of an external expert to carry out a detailed PPA of the purchase consideration paid / payable to the shareholders of Discover Tech. Adjustment, resulting from such PPA shall be carried out in the financial statements of AMEA. Consequently, the values of assets and liabilities acquired, and the resultant goodwill could be materially different once the PPA valuation is completed. The forgoing is in line with the provisions of Ind AS 103 Business Combinations which allows the initial accounting for a business combination to be completed within one year from the acquisition date.

(v) Acquisition of identified business of RevX Inc.

Effective April 1, 2019, Affle International Pte. Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Business ("Identified Business") of RevX Inc. ("RevX") for a consideration of INR 339.24 million. Affle International acquired the Identified Business of RevX so as to continue the expansion of the consumer platform segment.

(Amount in INR million, unless otherwise stated)

Assets acquired and liabilities assumed

Affle International has acquired the intangible assets of Identified Business of RevX namely the Intellectual Properties, domain name, business relationships and non-compete whose book value as on the date of acquisition was Nil. The management of Affle International has used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of RevX. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 339.24 million have been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. The accounting for this business combination was finalised in the previous year's financial statements.

The following table summarises the recognised amounts of assets acquired at the date of acquisition:

Fair value recognised on acquisition	INR million
Assets	
Software application development (Technology)	51.01
Total identifiable net assets	**51.01**
Goodwill arising on acquisition	288.23
Purchase consideration	**339.24**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	0.90
Consideration paid in cash (included in cash flows from investing activities)	339.24
Net cash flow on acquisition	**340.14**

Acquisition related costs

Affle International has incurred acquisition-related costs of INR 0.90 million on legal fees and due diligence costs. These costs have been recognised as an expense in statement of profit or loss in the year ended March 31, 2020, within the 'other expenses' line item.

(vi) Acquisition of identified business of Vizury Interactive Solutions Private Limited

On September 1, 2018, Affle (India) Limited ("the Company") acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Private Limited ("Vizury India") for a consideration of INR 106.44 million (equivalent to USD 1.50 million at the exchange rate of USD1= INR 70.96) minus profit after tax of Vizury India for the period May 15, 2018 to August 31, 2018 of INR 21.37 million (equivalent to USD 0.30 million at the exchange rate of USD1= INR 70.96).

The Company acquired the Identified Business of Vizury India so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

In the previous year, the management of the Company had used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Vizury India. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 85.07 million had been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:

Fair value recognised on acquisition	INR million
Assets	
Software application development (Technology)	9.93
Total identifiable net assets	**9.93**
Goodwill arising from acquisition	75.14
Purchase consideration	**85.07**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	1.02
Consideration paid in cash (included in cash flows from investing activities)	85.07
Net cash flow on acquisition	**86.09**

(vii) Acquisition of identified business of Vizury Interactive Solutions Pte. Ltd. and Vizury Interactive Solutions FZ-LLC

On September 1, 2018, Affle International Pte. Ltd., Singapore ("Affle International"), wholly owned subsidiary of the Company acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Pte. Ltd. ("Vizury Singapore") and Vizury Interactive Solutions FZ-LLC ("Vizury Dubai") for a consideration of INR 207.51 million.

Affle International acquired the Identified Business of Vizury Singapore and Vizury Dubai so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

In the previous year, the management of the Affle International had used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Vizury Singapore and Vizury Dubai. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 207.51 million had been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:

Fair value recognised on acquisition	INR million
Assets	
Software application development (Technology)	16.60
Total identifiable net assets	**16.60**
Goodwill arising from acquisition	190.91
Purchase consideration	**207.51**

Analysis of cash flow on acquisition:	INR million
Transaction costs of the acquisition (included in cash flows from operating activities)	-
Consideration paid in cash (included in cash flows from investing activities)	207.51
Net cash flow on acquisition	**207.51**

(Amount in INR million, unless otherwise stated)

(Amount in INR million, unless otherwise stated)

39.2 Business combinations under common control

(i) Scheme of amalgamation in accordance with previous GAAP

During the year ended March 31, 2017, the Holding Company has merged its fellow subsidiaries i.e. AD2C Holdings, AD2C India, Appstudioz Technologies into one merged entity, Affle India Limited (formerly known as "Affle (India) Private Limited") under the court approved scheme of amalgamation in accordance with erstwhile applicable previous GAAP.

Business combination under common control has been accounted for using purchase method in accordance with previous GAAP as prescribed under court scheme instead of using pooling interest method as prescribed under Ind AS 103. Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Accordingly, the Scheme was accounted for using purchase method in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations". All the assets and liabilities of the Transferor Companies have been incorporated at fair values as at April 1, 2015 against the purchase consideration of INR 84.64 million which resulted in the Goodwill on amalgamation of amounting INR 59.24 million.

Impairment testing of Goodwill

Goodwill acquired through business combinations have indefinite life. The Group performed its impairment test for the period ended March 31, 2021. The Group considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Group has used long-term growth rate of 2% (March 31, 2020: 2%) and discount rate of 10% (March 31, 2020: 12.5%) for calculation of terminal value.

The said cash flow projections are based on the senior management past experience as well as expected market trends for the future periods. The projected cash flows have been updated to reflect the decreased demand for services. The calculation of weighted average cost of capital (WACC) is based on the Group's estimated capital structure as relevant and attributable to the Group. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

Discount rates represent the market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its WACC.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate. Revenue and EBITDA growths are based on average value achieved in preceding years. Also, the growth rates used to extrapolate the cash flows beyond the forecast period are based on industry standards.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2021 (March 31, 2020: Nil). Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions / parameters on which the management has based determination of the recoverable amount, there are no scenarios identified by the management wherein the carrying value could exceed its recoverable amount.

40. Capitalisation of intangible assets

The Group has capitalized the following expenses of operating nature to the internally developed software. Consequently, the expenses disclosed under the respective heads are net of amounts capitalized by the Group.

Particulars	March 31, 2021	March 31, 2020
Salaries, allowances and bonus	342.92	204.34
Rent	0.78	2.89
Power and fuel	0.02	0.10
Printing and stationery	0.01	0.09
Repairs and maintenance - others	0.38	1.04
Communication	0.08	0.27
Cloud hosting charges	84.68	48.12
Total	**428.87**	**256.85**

41. The Group had filed complaint in earlier year with the police department for embezzlement of the Group's car and filed the statement of claims to recover full cost of the Group's car amounting to INR 0.61 million (March 31, 2020: INR 0.61 million). This embezzlement was done by ex- director of the Group, by transferring the Group's car to the name of his father without any form of consent from the Group. Therefore, the Group had written down entire net book value of the Group's car amounting to INR 0.07 million (March 31, 2020: INR 0.07 million) in the books.

42. The Group has appointed independent consultants for conducting a transfer pricing study to determine whether the transactions with associated enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprises are undertaken at a negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

43. In preparation of these financial statements, the Group has considered the possible effects that may result from COVID-19 on the carrying amount of its assets. In developing the assumptions relating to the possible future uncertainties in the global conditions because of COVID-19, the Group, as on date on approval of these financial results has taken into account both the current situation and the likely future developments and has considered internal and external sources of information to arrive at its assessment. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's's financial results may differ from that estimated as at the date of approval of these financial statements.

44. The Company has completed the Initial Public Offering (IPO) of 6,161,073 Equity Shares of Face Value of INR 10 each for cash at a price of INR 745 per Equity Share aggregating to INR 4,590 million comprising a Fresh Issue of 1,208,053 Equity Shares aggregating to INR 900 million and on offer for sale of 4,953,020 Equity Shares aggregating to INR 3,690 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on August 8, 2019. Out of the sale proceeds for offer for sale, INR 3,690 million was remitted to Selling shareholders - Affle Holdings Pte. Ltd.

The Company incurred INR 256.66 million as IPO related expenses (inclusive of taxes) which are proportionately allocated between the selling shareholder and the Company. The Company's share of expenses (net of tax), INR 42.36 million has been adjusted against securities premium.

The Company has charged INR 179.90 million from the selling shareholder towards business support services including their share of IPO expenses, based on the agreement with and indemnity from the selling shareholder for the IPO expenses, being a qualified Export of services under GST Rules. The Company has relied on expert opinion for invoicing to the selling shareholder.

(Amount in INR million, unless otherwise stated)

The details of utilization of IPO proceeds - INR 857.64 million, net of IPO expenses of the Company are as follows:

Particulars	Total amount	Utilised upto March 31, 2021	Un-utilised upto March 31, 2021
Funding for working capital requirements	689.35	611.76	77.59
General corporate purposes	168.29	168.29	-
Total utilised/un-utilised funds	**857.64**	**780.05**	**77.59**

45. On August 08, 2020, the Group had made a strategic, non-controlling investment and acquired 8% stake on a fully diluted basis in Talent Unlimited Online Services Private Limited ("Bobble") for a consideration of INR 198.00 million through Compulsory Convertible Preference Shares ("CCPS"). Additionally, the Group has also entered into an exclusive monetisation agreement for Bobble's intellectual property, which also provides rights to the Group to acquire an additional ownership upto 10.74% of Bobble, through subscription to CCPS and Equity Shares at a pre-agreed consideration upon meeting of conditions as defined in the monetisation agreement.

The addon technology required to monetise was validated during the current year. Accordingly, basis the fair valuation assessment undertaken by an independent valuer on January 31, 2021, and the date of initial recognition being February 15, 2021, the Company has accounted for such rights (call options) amounting to INR 237.80 million as a derivative asset as per Ind-AS 109 with a corresponding credit to contract liabilities to be recognised through statement of profit and loss account over a period of 12-18 months. The derivative asset has been fair valued as at year end and there is no material change from initial recognition. Further, the intial investment made by the Company have been fair valued as at the year end and an amount of INR 34.12 million has been recognised as fair value gain on financial instruments in the statement of profit and loss account.

46. The Group made a strategic, non-controlling investment and acquired 8% stake in OS Labs Pte. Ltd., Singapore for a consideration of USD 2.86 million (equivalent to INR 209.24 million) through Compulsory Convertible Preference Shares ("CCPS").

On January 25, 2021, the Group entered into a definitive share purchase agreement to sell its minority investment of 8% in OS Labs Pte. Ltd. to its promoter group company Affle Global Pte. Ltd. ("AGPL") for a consideration of USD 2.86 million (equivalent to INR 209.24 million) with an option to purchase the minority investment back from AGPL at a premium of 5% after 1 year or 10% after 2 years subject to any approvals that may be required. The Group has assessed such sale of minority investment to be in the nature of conditional sale as per Ind AS 109 and has recognised such investment back in the Group with corresponding impact on borrowings.

As required under Ind AS, the financial instrument have been remeasured at USD 7.18 million (equivalent to INR 526.05 million) as at March 31, 2021. The gain arising on fair valuation of investment of USD 4.33 million (equivalent to INR 316.12 million) has been recognised in the Statement of Profit and Loss amount.

Subsequent to year end, the Group has entered into a memorandum of understanding with AGPL for settlement of the call option in respect of the minority investment granted in the definite share purchase agreement for cash consideration of USD 4.32 million (equivalent to INR 316.81 million).

47. Subsequent to year end, the Group has issued 1,153,845 equity shares with face value of INR 10 each, at a premium of INR 5,190 per equity share aggregating to INR 5,999.99 million. Further, the Group has incurred expenses of approx. INR 89 million towards issuance of such equity shares which will be adjusted from the securities premium account.

48. The Finance Act, 2021 has introduced an amendment to section 32 of the Income Tax Act, 1961, whereby Goodwill of a business will not be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective April 1, 2020. In accordance with the requirements of Ind AS 12 - Income Taxes, the Company has recognised one-time tax expense amounting to INR 14.18 million for the year ended March 31, 2021 respectively being the deferred tax liabilities recognized by the Company on difference between book basis and tax basis of goodwill consequent upon enactment of above provisions. This deferred tax liability is not expected to be a cash outflow in the future and its reversal is deemed unlikely as the value of its associated goodwill is expected by value in use.

49. The Code on Social Security 2020 (Code), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employee Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified. The Group will assess the impact of the Code when it comes into effect and will record related impact thereon.

50. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration
No.: 101049W/E300004

For and on behalf of the Board of Directors of
Affle (India) Limited
CIN No.: L65990MH1994PLC080451

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFFLE (INDIA) LIMITED

Opinion

We have audited the accompanying standalone financial statements of Affle (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to note 38.1 to the financial statements, which indicate that business combination under common control has been accounted for using purchase method in accordance with previous GAAP resulting in recognition of goodwill amounting to INR 59.24 million as on March 31, 2021 as prescribed under court scheme instead of using pooling of interest method as prescribed under Ind AS 103 Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition and recoverability of trade receivables and contract assets (as described in Note 18 of the standalone financial statements)	
The Company derives its revenue mainly from rendering of mobile advertising services using a network of publishers. The Company recognizes revenue from its customers at the time of delivery of advertisement. We identified revenue recognition as a key audit matter because revenue is one of the Company's key performance indicators and there is an inherent risk around the accuracy of revenue recorded which is dependent upon reconciliations of billing data as per Company records with those of customer. Further, the Company has a significant balance of trade receivables and contract assets amounting to Rs INR 983.49 Mn as at March 31, 2021. The Company has determined the allowance for credit losses based on past experience and adjusted to reflect current and estimated future economic conditions. Due to significance of carrying values of trade receivables and contract assets and judgments involved in assessing recoverability of trade receivables and contract assets and calculating the expected credit losses, this matter was considered key audit matter to our audit.	Our audit procedures included the following, amongst others: • We obtained an understanding of the systems, processes and controls implemented by the Company for recording revenues. • We have tested the operating effectiveness of the controls related to revenues and associated receivables and contract assets. • For a sample of transactions we performed the following procedures: a. assessed the supporting documents including inspection of contractual terms and conditions, release order from customers, delivery documents in the form of email confirmation, b. tested the reconciliation of service provided to the customer with the amount of invoice raised. • We assessed the Company's accounting policies relating to revenue recognition. Our audit procedures on the carrying value of trade receivables and contract assets, included the following, amongst others: • We obtained an understanding of the systems, processes and controls implemented by the Company for recording allowance for credit losses. • We tested the ageing of contract assets and trade receivables for a sample of invoices; • We obtained direct confirmation of trade receivables and performed other alternate procedures which included testing of invoice, testing of customer purchase/release order and subsequent collection of invoices for the confirmations not received • We tested billings and receipts after year-end • We examined the Company's assessment of recoverability basis historical payment patterns and macroeconomic information. • AWe tested the management computation of the allowance for credit loss.

Internally generated intangible assets (as described in Note 4 of the standalone financial statements)	
The Company recognizes internally generated intangible assets i.e. software and application platform amounting to INR 177.16 Mn. Initial recognition is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. The assessment involves management judgment on matters such as technical feasibility, intention and ability to complete the development of such intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure costs reliably. Due to the materiality of the assets recognized and the level of management judgement involved being significant, initial recognition and measurement of internally generated intangible assets is a key audit matter.	Our audit procedures included the following, amongst others: • We assessed the management process and procedures related to initial recognition criteria for intangible assets, allocation of budgets, measurement of time recorded on development and establish the basis for capitalization. • We tested the amount capitalized from the underlying records and information for expenses; • We performed inquires with management regarding key assumptions used and estimates made in capitalizing development costs and assessed those assumptions and estimates. • We also considered the useful economic life attributed to the assets.

Impairment of goodwill and other intangible assets (as described in Note 2(x) of the standalone financial statements)	
The Company holds significant amounts of goodwill and intangible assets arising from business combinations and including self-generated and other intangibles, on the balance sheet amounting to INR 311.54 Mn. Accounting Standard ('Ind AS') 36, "Impairment of Assets requires management to test the goodwill for impairment as part of the non-current assets of (groups of) Cash Generating Unit ("CGUs") to which it is allocated, both annually and if there is a trigger for testing. Such goodwill and other intangible assets are tested for impairment using discounted cash-flow model of the CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. In view of the COVID-19 pandemic, the management reassessed its future business plans and key assumptions as at March 31, 2021 while assessing the adequacy of impairment provision. The impairment tests were a key audit matter due to the significant judgements and assumptions made by management which are affected by uncertainties around future market or economic conditions.	Our audit procedures on impairment test included the following, amongst others: • We assessed the key information used in determining the valuation including the weighted average cost of capital, cash flow forecasts and the implicit growth. • We assessed the Company's valuation methodology applied in determining the value in use; • We assessed the assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used after taking into consideration possible effects of COVID-19; • We assessed historical accuracy of management's budgets and forecasts by comparing them to actual performance; • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used; • We tested the arithmetical accuracy of the models; • We also assessed the disclosures given in the standalone financial statements for compliance with disclosure requirements under the accounting standards.

Measurement of derivative financial instrument (as described in Note 5(b) of the standalone financial statements)	
The Company had made an investment in a company and also entered into an exclusive monetization agreement with such company which provides right to the Company to acquire additional ownership stake in such company. These rights have been assessed by the Company as derivative financial instrument in accordance with Ind AS 109. This derivative financial instrument is recognized in the balance sheet at fair value amounting to INR 237.80 Mn on initial recognition. Any change in the value of derivative on the balance sheet reporting date is recorded in the statement of profit and loss. As at year-end, management assessed no change in fair value. Measurement of such derivative financial instrument is a key audit matter as this is a level 3 instrument requiring significant judgements and assumptions by management which are affected by uncertainties around future market or economic conditions.	Our audit procedures on measurement of derivative financial instrument included the following, amongst others: • We assessed the processes and controls put in place by the Company to identify, measure and recognize derivative financial instruments. • We read the agreement to obtain an understanding of the transaction. • We evaluated the competences, capabilities and objectivity of the management's expert. • We involved our valuation specialist who: c. tested the arithmetical accuracy of the models used by the management expert; d. evaluated and tested the methodologies used by the management's expert in their valuation report; and e. assessed the key information used in determining the valuation including the volatility, risk free rate, expected option life. • We also assessed the disclosures given in the standalone financial statements for compliance with disclosure requirements under the accounting standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 based on our audit, we give in the "Annexure 1" 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2018, as amended;

   e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   g. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30(b) to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 21094941AAAABU2050

Place of Signature: New Delhi
Date: May 29, 2021

ANNEXURE 1

to the Auditor's Report referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in our report of even date

Re: Affle (India) Limited ("the Company")

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

b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

v. 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.

vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

vii. a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	*64,881,888	AY 2017-18	Commissioner of Income Tax (Appeals)

*includes amount paid under protest INR 6,500,000

viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of initial public offer for the purposes for which they were raised.

x. 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.

xi. 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.

xii. 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.

xiii. According to the information and explanations given by the management, 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 financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. 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 Companies Act, 2013.

xvi. 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 S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 21094941AAAABU2050

Place of Signature: New Delhi
Date: May 29, 2021

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AFFLE (INDIA) LIMTED

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

We have audited the internal financial controls over financial reporting of Affle (India) Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 94941
UDIN: 21094941AAAABU2050

Place of Signature: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

STANDALONE BALANCE SHEET

as at March 31, 2021

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	10.15	6.98
(b) Right of use asset	29	13.24	22.06
(c) Goodwill	4	134.38	134.38
(d) Other intangible assets	4	89.92	106.89
(e) Intangible assets under development	4	87.24	48.00
(f) Financial assets			
(i) Investments	5 (a)	1,035.32	439.98
(ii) Derivative instrument	5 (b)	237.80	-
(ii) Loans	6	3.34	3.34
(g) Income tax asset (net)	12	9.58	19.14
Total non-current assets		**1,620.97**	**780.77**
II. Current assets			
(a) Contract assets (net)	18	288.50	159.46
(b) Financial assets			
(i) Trade receivables	10	694.99	369.65
(ii) Cash and cash equivalent	11	202.00	572.79
(iii) Other bank balance other than (ii) above	11	140.96	568.81
(iv) Loans	6	13.12	33.28
(v) Other financial assets	7	18.50	7.65
(c) Other current assets	9	48.69	40.58
Total current assets		**1,406.76**	**1,752.22**
Total Assets (I + II)		**3,027.73**	**2,532.99**
EQUITY AND LIABILITIES			
III. EQUITY			
(a) Equity share capital	13	254.96	254.96
(b) Other equity			
Retained earnings		831.37	549.81
Securities premium		845.56	845.56
		1,931.89	**1,650.33**

(Amount in INR million, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
LIABILITIES			
IV. Non-current liabilities			
(a) Contract liabilities	18	174.06	-
(b) Financial liabilities			
(i) Lease liabilities	29	5.51	14.59
(c) Long-term provisions	14	15.54	12.79
(d) Deferred tax liabilities (net)	8	23.58	1.88
Total non-current liabilities		**218.69**	**29.26**
V. Current liabilities			
(a) Contract liabilities	18	43.37	4.01
(b) Financial liabilities			
(i) Trade payables			
- dues of micro enterprises and small enterprises	15	4.39	6.85
- dues of creditors other than micro enterprises and small enterprises	15	722.65	443.83
(ii) Lease liabilities	29	7.50	8.18
(iii) Other current financial liabilities	16	44.07	330.02
(c) Short-term provisions	14	6.14	5.00
(d) Other current liabilities	17	42.78	45.10
(e) Liabilities for current tax (net)	14	6.25	10.41
Total current liabilities		**877.15**	**853.40**
Total equity and liabilities (III + IV + V)		**3,027.73**	**2,532.99**

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I. Revenue			
Revenue from contracts with customers	18	2,667.34	1,822.26
Other income	19	64.45	51.30
Total revenue		**2,731.79**	**1,873.56**
II. Expense			
Inventory and data costs	20	1,593.61	976.38
Employee benefits expenses	21	317.82	241.71
Finance costs	22	3.56	3.07
Depreciation and amortisation expense	23	65.72	54.11
Other expenses	24	355.42	158.04
Total expense		**2,336.13**	**1,433.31**
III. Profit before tax		**395.66**	**440.25**
IV. Tax expense:	8		
Current tax [includes INR 1.12 million for earlier year (March 31, 2020 : INR 1.48 million)]		91.45	112.60
Deferred tax charge / (credit)		21.94	(1.20)
Total tax expense		**113.39**	**111.40**
V. Profit for the year		**282.27**	**328.85**
VI. Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years	25		
Re-measurement (loss)/ gain on defined benefit plans		(0.95)	1.55
Income tax effect		0.24	(0.39)
Other comprehensive (loss) / income net of tax		**(0.71)**	**1.16**
VII. Total comprehensive income for the year		**281.56**	**330.01**
VIII. Earnings per equity share			
(1) Basic	26	11.07	13.12
(2) Diluted	26	11.07	13.12

(Amount in INR million, unless otherwise stated)

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
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Place: Singapore
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Director
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Place: Gurugram
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Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	March 31, 2020
A. Cash flow from operating activities		
Profit before tax	**395.66**	**440.25**
Adjustments for :		
Depreciation and amortisation expense	65.72	54.11
Interest on lease liabilities	1.54	1.07
Impairment allowance of trade receivables	10.43	18.98
Liabilities written back	(3.42)	(9.37)
Loss on disposal of property, plant and equipments (net)	-	0.06
Interest income	(21.44)	(34.59)
Interest expense	1.08	1.67
Unrealised foreign exchange (gain)/loss	(2.18)	1.03
Advances written off	2.05	2.32
Fair value gain on financial instruments	(34.12)	-
Operating profit before working capital changes	**415.32**	**475.53**
Change in working capital:		
(Increase) in contract assets	(129.03)	(62.97)
(Increase) in trade receivables	(296.25)	(116.38)
Decrease/(increase) in financial assets	12.41	(19.52)
(Increase) in other current assets	(5.98)	(20.62)
(Decrease)/increase in contract liabilities	(0.04)	1.51
Increase in trade payables	226.10	132.29
Increase/(decrease) in other financial liabilities	15.59	(9.29)
(Decrease)/increase in other current liabilities	(2.32)	22.09
Increase in provisions	2.94	2.60
Net cash generated from operations	**238.74**	**405.24**
Direct taxes paid (net of refunds)	(86.22)	(85.17)
Net cash flow generated from operating activities (A)	**152.52**	**320.07**
B. Cash flow from investing activities:		
Payment of purchase consideration towards acquisition of business	-	(31.86)
Purchase of property, plant and equipments, other intangible assets including intangible assets under development	(82.34)	(93.20)
Proceeds from sale of property, plant and equipments	0.00	0.09
Investments in bank deposits (having original maturity of more than three months)	(1,413.47)	(568.81)
Redemption in bank deposits (having original maturity of more than three months)	1,841.32	14.50
Payment of subscription money towards investment in subsidiary	(664.50)	(34.87)
Purchase of investments	(222.34)	-
Interest income on bank deposits	25.45	30.04
Net cash flow used in investing activities (B)	**(515.88)**	**(684.11)**
C. Cash flow from financing activities:		
Interest expense	(0.91)	(1.67)
Interest on lease liabilities	(1.54)	(1.07)
Payment of principal portion of lease liabilities	(4.98)	(2.97)
Proceeds from initial public offer (net of issue expenses)	-	857.64
Net cash flow (used in) /generated from financing activities (C)	**(7.43)**	**851.93**
Net change in cash and cash equivalent (A+B+C)	**(370.79)**	**487.89**
Cash and cash equivalent as at the beginning of the year	572.79	84.90
Cash and cash equivalent as at the end of the year	**202.00**	**572.79**
Components of cash and cash equivalent:		
Balance with banks		
- On current account	201.90	129.68
Deposits with original maturity for less than three months	-	443.01
Cash in hand	0.10	0.10
Total cash and cash equivalent (refer note 11)	**202.00**	**572.79**

The reconciliation between the opening and the closing balances in the balance sheet for liabilities arising from financing activities is as follows:

(Amount in INR million, unless otherwise stated)

For the year ended March 31, 2021

Particulars	March 31, 2020	Cash flows	Other non-cash adjustments: Rebate received during the period	Other non-cash adjustments: Accretion of interest	March 31, 2021
Current lease liabilities	8.18	(2.56)	4.78	1.54	7.50
Non-current lease liabilities	14.59	9.08	-	-	5.51
Total liabilities from financing activities	**22.77**	**6.52**	**4.78**	**1.54**	**13.01**

For the year ended March 31, 2020

Particulars	March 31, 2019	Cash flows	Other non-cash adjustments: Leases added during the period	Other non-cash adjustments: Accretion of interest	March 31, 2020
Current lease liabilities	-	0.44	7.55	1.07	8.18
Non-current lease liabilities	-	3.60	18.19	-	14.59
Total liabilities from financing activities	**-**	**4.04**	**25.74**	**1.07**	**22.77**

Summary of significant accounting policies 2

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

(Amount in INR million, unless otherwise stated)

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

Equity Share Capital

Particulars	Number of shares	Amount (INR)
Balance as at April 1, 2019	**24,288,314**	**242.88**
Issued during the year	1,208,053	12.08
Balance as at March 31, 2020	**25,496,367**	**254.96**
Balance as at April 1, 2020	**25,496,367**	**254.96**
Issued during the year	-	-
Balance as at March 31, 2021	**25,496,367**	**254.96**

(Amount in INR million, unless otherwise stated)

Other Equity

	Reserves and surplus		
Particulars	**Retained earnings**	**Securities premium**	**Total other equity**
Balance as at April 01, 2019	**219.80**	**-**	**219.80**
Profit for the year	328.85	-	328.85
Other comprehensive income	1.16	-	1.16
Fresh equity issued during the year (refer note 43)	-	845.56	845.56
Balance as at March 31, 2020	**549.81**	**845.56**	**1,395.37**
Balance as at April 01, 2020	**549.81**	**845.56**	**1,395.37**
Profit for the year	282.27	-	282.27
Other comprehensive income	(0.71)	-	(0.71)
Balance as at March 31, 2021	**831.37**	**845.56**	**1,676.93**

Summary of significant accounting policies (refer note 2)

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

1. CORPORATE INFORMATION

Affle (India) Limited ("the Company"), is a public limited Company, domiciled in India, incorporated under the provisions of the Companies Act, 1956, and is a subsidiary of Affle Holdings Pte Ltd. The Company was incorporated on August 18, 1994. The shares got listed on National Stock Exchange Limited and Bombay Stock Exchange Limited on August 08, 2019. The Company is engaged in providing mobile advertisement services through information technology and software development services for mobiles.

The registered office of the Company is situated at 102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059. The principal place of business is in Haryana, India.

These financial statements were authorized for issue in accordance with the resolution of directors on May 29, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets and financial liabilities that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest millions up to two decimals, except when otherwise stated.

The financial statements provide comparative information in respect of the previous year.

ii. Business combinations under common control

Common control business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party both before and after the business combination, and that control is not transitory.

The Company accounts for its business combination under common control using pooling of interest method of accounting as per Appendix C of Ind AS 103. Acquisition related costs are recognized in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the definition for recognition are recognized at their carrying amount at the acquisition date.

Transferor's reserves are preserved and appear in the financial statements of the transferee in the same form in which they appear in the financial statements of the transferor. Acquisition date is the beginning of the preceding period in case the common control is established prior to such date. However, if business combination had occurred after such date, the acquisition date shall be considered only from that date.

The financial statements incorporate the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the financial statements are presented as if the entities or businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is shorter.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the year in which it is incurred.

iii. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized 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:

a. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

b. Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

c. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

d. Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

e. Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

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 recognized in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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 recognized in profit or loss. An impairment loss recognized 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 of, 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 recognized, 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. Refer note 38.

iv. 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

v. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and other directly attributable cost incurred in bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are capitalized on the carrying amount or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss on the date of disposal or retirement.

vi. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a pro-rata basis from the date on which the asset is ready to use, using written down value method ("WDV") over the useful lives of the assets estimated by the management, which are in line with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The Company has used the following rates to provide depreciation on its property, plant and equipment:

Asset Category	Useful lives estimated by management
Computers	3 years
Office equipments	2-5 years
Furniture and fixtures	10 years
Motor vehicles	8 years

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.

vii. 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 accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

A summary of amortization periods applied to the Company's intangible assets is as below:

Asset Category	Useful lives estimated by management
Computer software	5 years
Software application development	4 years

viii. Borrowing costs

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 capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

ix. Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. 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 remeasurement 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 period of lease term (refer note 29).

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. Refer to the accounting policies in section (x) Impairment of non-financial assets.

b. 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 effective interest rate for the lease liabilities is 11% per annum. 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. 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 financial liabilities (refer note 29).

c. Short-term leases and leases of low-value assets - The Company applies the short-term lease recognition exemption to its short-term leases of rent on property and on rent of computer equipment (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 recognises leases with original lease term of more than 12 months from the commencement date and do not contain any non-cancellable period/lock-in period. It also applies the lease of low-value assets recognition exemption to leases of office equipment 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.

x. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates.

Impairment losses of operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

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 (or group of CGUs) 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.

xi. Financial instruments

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.

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables. For more information on receivables, refer to note 10.

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

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

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, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss (P&L). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at 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 FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

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 statement of profit and loss, 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. All changes in fair value including dividend are recognized in the statement of profit and loss.

Investment in subsidiary
Investments in subsidiary are carried at cost less allowance for impairment, if any. The Company reviews its carrying value of investments in subsidiaries, annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investments is subsidiaries is impaired requires an estimate in the value in use of investments. The Management carries out impairment assessment for each investment by comparing the carrying value of each investment with the net worth of each company based on audited financials and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

Derivative instruments
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

De-recognition
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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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.

Impairment of financial assets
Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 27
- Trade receivables and contract assets – see note 10

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortized cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. For further disclosure-see note 35 of the financial statements.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement
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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities at amortised cost (Loans and borrowings)
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

De-recognition
A financial liability is de-recognized 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 recognized in the statement of profit and loss.

Reclassification of financial assets
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. No such reclassifications have been done during the financial year.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

xii. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

- Disclosures for significant estimates and assumptions (notes 27)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Investment in unquoted equity shares (note 5(a))
- Financial instruments (including those carried at amortised cost) (notes 33)

xiii. Revenue from contracts with customers

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

The specific recognition criteria discussed below must also be met before revenue is recognized:

Consumer platform

Revenue from rendering of advertisement services is recognized on accrual basis as and when services are rendered based on the terms of the contract. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. In respect of consumer platform, the revenue is recognised as and when advertisements are delivered by the Company.

Enterprise platform

Revenue from software development comprises income from time & material and fixed price contracts. Revenue with respect to time & material contracts is recognized when the related services are performed. Revenue from fixed price contracts is recognized in accordance with the proportionate completion method as per the terms of the contract. The Company collects taxes on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. In respect of enterprise platform, the revenue is recognised based on the projects completed by the Company.

Other Operating Revenue

Other operating revenue is derived from the allocation of salary and operational cost charged to the associated entity for the work performed. The transaction is at arm's length which is on usual commercial terms. The amount charged includes cost plus margin based on the transfer pricing study carried at the year end. The revenue is recognized on accrual basis.

Contract balances

Contract assets - A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section xi) Financial instruments – initial recognition and subsequent measurement.

Trade receivables - A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in clause xi) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities - A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or 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 amortized 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 but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

xiv. Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and 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 a 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 profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

xv. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure in the statement of profit and loss, when an employee renders the related service.

The Company operates an unfunded defined benefit gratuity plan for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end, using the projected unit credit method and charged to statement of profit and loss. Remeasurements, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

xvi. Taxes

Income tax expense comprises current and deferred tax.

Current tax

Current income-tax assets and liabilities is measured at the amount expected to be recovered from or paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or 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 recognized 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

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

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 utilized.

The unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

xvii. 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.

xviii. Provisions

Provisions are recognized 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. The expense relating to a provision is presented in the statement of profit and 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 recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

xix. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Refer note 30 (b).

xx. Share based payments

Employees (including senior executives) 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 recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognized 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 recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

xxi. Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the year attributable to equity shareholders 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 holders of the Company (after adjusting the corresponding income/charge for dilutive potential equity shares) 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.

xxii. Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general income and expense items which are not allocated to any business segment.

Segment accounting 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.

xxiii. Changes in accounting policies and disclosures

New and amended standards

(a) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 01, 2019. Due to this amendment the Company has recognised rebate received of INR 4.78 million in the statement of profit and loss.

(b) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the April 01,2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the standalone financial statements of the Company but may impact future periods should the Company enter into any business combinations.

(c) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Company’s standalone financial statements.

(d) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the April 01, 2020. These amendments are not expected to have a significant impact on the Company’s standalone financial statements.

Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company’s financial statements.

(Amount in INR million, unless otherwise stated)

3. Property, plant and equipment

Particulars	Computers	Furniture & fixtures	Office equipments	Motor Vehicles	Total
Gross block					
As at April 1, 2019	**6.79**	**1.57**	**2.87**	**1.95**	**13.18**
Additions during the year	4.45	-	0.46	0.97	**5.88**
Disposals during the year	1.70	-	0.25	-	**1.95**
As at March 31, 2020	**9.54**	**1.57**	**3.08**	**2.92**	**17.11**
As at April 1, 2020	**9.54**	**1.57**	**3.08**	**2.92**	**17.11**
Additions during the year	4.23	-	0.08	4.06	**8.37**
Disposals during the year	0.05	-	-	-	**0.05**
As at March 31, 2021	**13.72**	**1.57**	**3.16**	**6.98**	**25.43**
Accumulated depreciation					
As at April 1, 2019	**2.36**	**1.36**	**1.64**	**1.26**	**6.62**
Depreciation during the year	4.20	0.04	0.64	0.43	**5.31**
Disposals during the year	1.58	-	0.22	-	**1.80**
As at March 31, 2020	**4.98**	**1.40**	**2.06**	**1.69**	**10.13**
As at April 1, 2020	**4.98**	**1.40**	**2.06**	**1.69**	**10.13**
Depreciation during the year	3.89	0.03	0.44	0.84	**5.20**
Disposals during the year	0.05	-	-	-	**0.05**
As at March 31, 2021	**8.82**	**1.43**	**2.50**	**2.53**	**15.28**
Net block					
As at March 31, 2021	**4.90**	**0.14**	**0.66**	**4.45**	**10.15**
As at March 31, 2020	**4.56**	**0.17**	**1.02**	**1.23**	**6.98**

(Amount in INR million, unless otherwise stated)

4. Other intangible assets

Particulars	Computer Software	Software application development	Total	Goodwill	Intangible assets under development
Gross block					
As at April 1, 2019	**25.08**	**195.32**	**220.40**	**134.38**	**17.95**
Additions during the year	0.04	57.24	**57.28**	-	87.29
Capitalisation during the year	-	-	-	-	57.24
As at March 31, 2020	**25.12**	**252.56**	**277.68**	**134.38**	**48.00**
As at April 1, 2020	**25.12**	**252.56**	**277.68**	**134.38**	**48.00**
Additions during the year	-	34.73	**34.73**	-	73.97
Capitalisation during the year	-	-	-	-	34.73
As at March 31, 2021	**25.12**	**287.29**	**312.41**	**134.38**	**87.24**
Accumulated amortisation					
As at April 1, 2019	**24.31**	**101.36**	**125.67**	-	-
Amortisation during the year	0.49	44.63	**45.12**	-	-
As at March 31, 2020	**24.80**	**145.99**	**170.79**	-	-
As at April 1, 2020	**24.80**	**145.99**	**170.79**	-	-
Amortisation during the year	0.22	51.48	**51.70**	-	-
As at March 31, 2021	**25.02**	**197.47**	**222.49**	-	-
Net block					
As at March 31, 2021	**0.10**	**89.82**	**89.92**	**134.38**	**87.24**
As at March 31, 2020	**0.32**	**106.57**	**106.89**	**134.38**	**48.00**

	As at	
Net block	March 31, 2021	March 31, 2020
Goodwill*	134.38	134.38
Other intangible assets	89.92	106.89
Intangible assets under development	87.24	48.00
Total	**311.54**	**289.27**

*Goodwill includes amount of INR 59.24 million (March 31, 2020: INR 59.24 million) on account of business combination (refer note 38.1) and amount of INR 75.14 million (March 31, 2020: INR 75.14 million) on account of business acquisition.

(Amount in INR million, unless otherwise stated)

5 (a). Non-current investments

	As at	
	March 31, 2021	March 31, 2020
Investment at fair value through profit or loss (FVTPL)		
Unquoted equity investments fully paid-up		
50 (March 31, 2020: 50) equity shares with face value of INR 10 each and with premium of INR 1,219 each in Affle X Private Limited	0.06	0.06
2,300 (March 2020: Nil) Series C compulsorily convertible preference shares with face value of INR 100 each with premium of INR 85,986.95 each in Talent Unlimited Online Services Private Limited**	232.12	-
Investments in equity instruments of subsidiary at cost		
1,570,459 (March 31, 2020: 1,083,015) equity shares with face value of USD 1 each in Affle International Pte. Ltd.	802.94	439.72
Unquoted preference investments fully paid-up		
101 (March 31, 2020: 101) non cumulative preference shares with face value of INR 10 each and with premium of INR 1,972 each in Affle X Private Limited*	0.20	0.20
Total	**1,035.32**	**439.98**
Aggregate amount of unquoted investments	1,035.32	439.98
Aggregate amount of impairment in the value of investments	-	-

During the previous year, the Company had executed a Share Subscription Agreement with Affle International Pte. Ltd. Pursuant to the agreement, Affle International Pte. Ltd. allotted fully paid-up shares to the Company against the consideration payable of INR 301.54 million. This provided the Company voting rights amongst other rights except liquidation rights till the time consideration is paid. As at March 31, 2020, the amount was yet to be paid by the Company and was classified under other financial liabilities. In the current year, the amount has been paid by the Company.

Terms/rights attached to preference shares

*The Company has the right to be entitled to receive dividend if declared at any point of time. These preference shares can be convertible into equity shares of Affle X Private Limited after complying the provision of Companies Act, 2013 and the manner as specified in the subscription agreement. The Company does not have any voting rights in the invested entity except in case any resolution is passed. The Company shall have an option to redeem the fully paid up preference share at any point in time subject to maximum redemption period of 20 years.

**Each Series C CCPS shall be converted by the Company into 1 equity share at the rate of INR 10 (Indian Rupees Ten only) per share after 20 years from the date of issuance of the Series C CCPS. It carries a non-cumulative dividend rate of 0.1% (Zero Point One Percent) per annum. The Series C CCPS may not be redeemed by the Company for cash.

(Amount in INR million, unless otherwise stated)

5 (b). Derivative instruments

	As at	
	March 31, 2021	March 31, 2020
Derivative instruments at fair value through profit and loss		
Embedded derivates (refer note 44)	237.80	-
Total	**237.80**	-

6. Loans

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
At amortised cost				
Unsecured, considered good unless otherwise stated				
Security deposits*	3.34	3.34	6.52	29.42
Loans to employees	-		6.60	3.86
Total	**3.34**	**3.34**	**13.12**	**33.28**

Notes:
1. During the year ended March 31, 2021 & year ended March 31, 2020, there were no balances of loan to employees with a significant increase in credit risk or credit impairment.

   *Security deposits primarily include deposits given towards rented premises and other miscellaneous deposits. It represents fair value of amount paid to landlord for the leases premises. As at March 31, 2021, remaining tenure for security deposits ranges from one to five years.

7. Other current financial assets

	As at	
	March 31, 2021	March 31, 2020
At amortised cost		
Unsecured, considered good unless otherwise stated		
Interest accrued but not due on deposit	0.72	4.93
Others*	17.78	2.72
Total	**18.50**	**7.65**

* Includes the following:
- amount recoverable from related parties of INR 8.81 million (March 31, 2020: Nil) pertaining to reimbursement of expenses not yet billed as at the year end.

(Amount in INR million, unless otherwise stated)

8. Income tax

The major component of income tax expense for the year ended March 31, 2021 and March 31, 2020 are as follows:

Statement of profit and loss:

(i) Profit or loss section

	For the year ended	
	March 31, 2021	March 31, 2020
Current income tax:		
Current tax [includes INR 1.12 million for earlier year (March 31, 2020 : INR 1.48 million)]	91.45	112.60
Deferred tax:		
Relating to origination and reversal of temporary differences	21.94	(1.20)
Income tax expense reported in the statement of profit and loss	**113.39**	**111.40**

(ii) Other comprehensive income (OCI) section

Deferred tax relating to items in OCI in the year:

	For the year ended	
	March 31, 2021	March 31, 2020
Net income/(expense) on measurement of defined benefit plans	0.24	(0.39)
Total	**0.24**	**(0.39)**

Reconciliation of tax expense and the accounting profit multiplied by the applicable tax rate(s):

	For the year ended	
	March 31, 2021	March 31, 2020
Accounting profit before income tax	395.66	440.25
At India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	99.59	110.81
Non-deductible/taxable expenses for tax purposes	0.52	-
Income tax expense relating to earlier year	1.12	1.48
Impact of deferred tax on goodwill on account of amendment in Finance Act, 2021	14.36	-
Others	(2.20)	(0.89)
Income tax expense reported in statement of profit and loss	**113.39**	**111.40**

Deferred tax:

Deferred tax relates to the following:

	As at	
	March 31, 2021	March 31, 2020
Fixed assets: impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	10.16	7.58
Impact of right of use asset and lease liability	1.15	0.18
Impact of fair valuation of financial instruments	0.01	0.00
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	5.44	4.46
Allowance for impairment of trade receivables and contract assets	8.19	5.55
Impact on goodwill on account of amendment of Finance Act, 2021	(33.82)	(19.65)
Impact of fair valuation and amortisation of financial assets	(14.71)	-
Deferred tax liability (net)	**(23.58)**	**(1.88)**

Reconciliation of deferred tax liability (net)

	As at	
	March 31, 2021	March 31, 2020
Opening balance of deferred tax liability (net)	**(1.88)**	**(2.68)**
Tax (expense)/income during the year recognised in statement of profit or loss	(21.94)	1.20
Tax income/(expense) during the year recognised in OCI	0.24	(0.39)
Other items	-	(0.01)
Closing balance of deferred tax liability (net)	**(23.58)**	**(1.88)**

Reconciliation of deferred tax expense recognised in the statement of profit and loss

	For the year ended	
	March 31, 2021	March 31, 2020
Fixed assets: impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	(2.58)	(2.32)
Impact of right of use asset and lease liability	(0.97)	(0.18)
Impact of fair valuation of financial instruments	(0.01)	0.02
Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	(0.75)	(0.00)
Allowance for impairment of trade receivables and contract assets	(2.64)	(1.10)
Impact on goodwill on account of amendment of Finance Act, 2021	14.18	2.38
Impact of fair valuation and amortisation of financial assets	14.71	-
Deferred tax expense /(income)	**21.94**	**(1.20)**

(Amount in INR million, unless otherwise stated)

Reconciliation of deferred tax (income)/expenses recognised in other comprehensive income

	For the year ended	
	March 31, 2021	March 31, 2020
Re-measurement income/(expense) on defined benefit plans	0.24	(0.39)
Deferred tax related to other comprehensive income of the year	**0.24**	**(0.39)**

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 relates to income taxes levied by the same tax authority.

In assessing the realisibility of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the years in which the temporary differences become deductible. Management considers the 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 incomes over the years in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

9. Other current assets

	As at	
	March 31, 2021	March 31, 2020
Unsecured, considered good		
Prepayments	6.13	5.72
Deferred lease expense on security deposits paid	0.80	(0.12)
Balance with statutory/government authorities	29.92	27.45
Advances other than capital advances*	11.84	7.53
Total	**48.69**	**40.58**

*Pertains to advances given to vendors in the ordinary course of business which are likely to be settled on receiving the actual invoice.

10. Trade receivables

	As at	
	March 31, 2021	March 31, 2020
Unsecured, considered good		
Trade receivables	683.04	278.30
Trade receivables from related parties (refer note 31)	11.95	91.35
	694.99	**369.65**
Unsecured, considered doubtful		
Trade receivables	30.13	19.70
	30.13	**19.70**
Allowance for impairment of trade receivables	(30.13)	(19.70)
Total	**694.99**	**369.65**

(Amount in INR million, unless otherwise stated)

Break-up for security details:

	As at	
	March 31, 2021	March 31, 2020
Trade receivable		
Unsecured, considered good	694.99	369.65
Trade receivables - credit impaired	30.13	19.70
	725.12	**389.35**
Allowance of impairment		
Trade receivables - credit impaired	(30.13)	(19.70)
Total trade receivables	**694.99**	**369.65**

The movement in allowance for impairment of trade receivables is as follows:

	As at	
	March 31, 2021	March 31, 2020
Opening balance	**19.70**	**15.02**
Additions	10.43	18.98
Bad debts written off (net of recovery)	-	(14.30)
Closing balance	**30.13**	**19.70**

Note:

1. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 90 days. For terms and conditions relating to related party receivables, refer note 31.
2. Following are the amounts due from related parties:

	As at	
	March 31, 2021	March 31, 2020
Affle Global Pte. Ltd.	-	0.23
Affle International Pte. Ltd.	4.40	91.12
Affle MEA FZ LLC	7.55	-
Total	**11.95**	**91.35**

11. Cash and bank balances

(i) Cash and cash equivalent

	As at	
	March 31, 2021	March 31, 2020
Balances with banks:		
On current accounts*	201.90	129.68
Deposits with original maturity for less than three months	-	443.01
Cash in hand	0.10	0.10
Total	**202.00**	**572.79**

*Balances with banks on current accounts includes balance in cash credit facility account. No utilisation of cash credit facility as at March 31, 2021 (March 31, 2020: NIL). The cash credit facility in the year ended March 31, 2021 is secured by hypothecation of fixed & current assets of the Company including other intangible assets. The rate of interest to be charged on the utilisation of the facility amount is 6M MCLR +1.10% (presently 8.80% p.a.) payable at monthly intervals. The amount utilised is payable on demand and the tenure of the cash credit limit is four years from the date of sanction i.e. June 30, 2024.

(ii) Other bank balances

	As at	
	March 31, 2021	March 31, 2020
Deposits with original maturity for more than three months but less than twelve months	140.96	568.81
Total	**140.96**	**568.81**

For the purpose of the statement of cash flow, cash and cash equivalent comprise the following:

	As at	
	March 31, 2021	March 31, 2020
Balances with banks:		
On current accounts	201.90	129.68
Deposits with original maturity for less than three months	-	443.01
Cash in hand	0.10	0.10
Total	**202.00**	**572.79**

12. Income tax asset (net)

	As at	
	March 31, 2021	March 31, 2020
Advance tax [net of provision for tax amounting to INR 217.09 million (March 31, 2020: INR 106.84 million)]	9.58	19.14
Total	**9.58**	**19.14**

(Amount in INR million, unless otherwise stated)

13 (a). Share capital

	As at	
Particulars	March 31, 2021	March 31, 2020
Authorised share capital		
30,000,000 (March 31, 2020: 30,000,000) equity shares of INR 10 each	300.00	300.00
Issued share capital		
25,496,367 (March 31, 2020: 25,496,367) equity shares of INR 10 each fully paid up	254.96	254.96
	254.96	**254.96**
Subscribed and fully paid-up share capital		
25,496,367 (March 31, 2020: 25,496,367) equity shares of INR 10 each fully paid up	254.96	254.96
	254.96	**254.96**

A. Reconciliation of the number of equity shares outstanding at the beginning and end of the year:

	As at			
Particulars	March 31, 2021		March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Opening balance	**25,496,367**	**254.96**	**24,288,314**	**242.88**
Shares issued during the year	-	-	1,208,053	12.08
Shares bought back during the year	-	-	-	-
Closing Balance	**25,496,367**	**254.96**	**25,496,367**	**254.96**

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. The holders of equity shares are entitled to receive dividends and are entitled to one vote per share. In the event of liquidation, equity shareholders will be entitled to receive assets of the Company in proportion to the number of shares held to the total equity shares outstanding as on that date.

C. Shares held by holding company and/or their subsidiaries

Out of the equity shares issued by the Company, shares held by its holding company and its subsidiaries are as below:

	As at	
Particulars	March 31, 2021	March 31, 2020
Affle Holdings Pte. Ltd., Singapore, ultimate holding Company		
11,943,093 (March 31, 2020: 13,415,919) equity shares of INR 10 each fully paid up	119.43	134.16
Affle Global Pte. Ltd. , Singapore, subsidiary of Affle Holdings Pte. Ltd.		
4,017,911 (March 31, 2020: 4,017,911) equity shares of INR 10 each fully paid up	40.18	40.18

(Amount in INR million, unless otherwise stated)

D. Details of shareholders holdings more than 5% shares

	As at			
Name of shareholder	March 31, 2021		March 31, 2020	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares of INR 10 each fully paid				
Affle Holdings Pte. Ltd., Singapore	11,943,093	46.84%	13,415,919	52.62%
Affle Global Pte. Ltd., Singapore	4,017,911	15.76%	4,017,911	15.75%
Malabar India Fund Limited, Mauritius*	-	-	1,616,214	6.34%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date is Nil.

*As at March 31, 2021, Malabar India Fund Limited, Mauritius, holds less than 5% shares, hence Nil has been disclosed.

13 (b). Other equity

	As at	
Particulars	March 31, 2021	March 31, 2020
Retained earnings	831.37	549.81
Securities premium	845.56	845.56
Total	**1,676.93**	**1,395.37**

(i) Retained earnings

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**549.81**	**219.80**
Profit for the year	282.27	328.85
Other comprehensive income	(0.71)	1.16
Closing balance	**831.37**	**549.81**

(ii) Securities premium

	As at	
Particulars	March 31, 2021	March 31, 2020
Opening balance	**845.56**	**-**
Fresh equity issued during the year (refer note 43)	-	845.56
Closing balance	**845.56**	**845.56**

Nature and purpose of other equity

Retained earnings
Retained earnings represent the undistributed profits of the Company.

(Amount in INR million, unless otherwise stated)

Securities premium
Securities premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

14. Provisions

	Non-current		Current	
	As at			
Particulars	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for employee benefits				
Provision for gratuity (refer note 28)	11.93	9.46	4.54	3.49
Provision for leave benefits	3.61	3.33	1.53	1.44
Other provisions				
Provision for contingency (refer note 40)	-	-	0.07	0.07
Total (A)	**15.54**	**12.79**	**6.14**	**5.00**
Other provisions				
Provision for income tax [net of advance tax INR 84.09 million (March 31, 2020: INR 100.42 million)]	-	-	6.25	10.41
Total (B)	**-**	**-**	**6.25**	**10.41**
Total (A+ B)	**15.54**	**12.79**	**12.39**	**15.41**

Movement in provision for contingency

	For the period ended	
Particulars	March 31, 2021	March 31, 2020
At the beginning of the year	0.07	0.10
Write off / utilised during the year	-	(0.03)
At the end of the year	**0.07**	**0.07**

15. Trade payables

	As at	
Particulars	March 31, 2021	March 31, 2020
Trade payables:		
- total outstanding dues of micro enterprises and small enterprises (refer note 37)	4.39	6.85
- total outstanding dues of creditors other than micro enterprises and small enterprises	722.65	443.83
Total	**727.04**	**450.68**

Notes:
1. Following are the amounts due to related parties (refer note 31)

(Amount in INR million, unless otherwise stated)

	As at	
Particulars	March 31, 2021	March 31, 2020
Affle International Pte. Ltd.	5.91	53.60
Affle MEA FZ LLC	6.94	-
Appnext Pte Ltd.	85.31	-
Mediasmart Mobile S.L.	2.43	-
Total	**100.59**	**53.60**

16. Other current financial liabilities

	As at	
Particulars	March 31, 2021	March 31, 2020
Current		
At amortised cost		
Salary payable	44.07	28.48
Others*	-	301.54
Total	**44.07**	**330.02**

Notes:
1. Includes amount due to related parties Nil (March 31, 2020: INR 301.54 million) (refer note 31).

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms.
- For terms and conditions with related parties, refer note 31.

17. Other current liabilities

	As at	
Particulars	March 31, 2021	March 31, 2020
Statutory dues payable	42.78	45.10
Total	**42.78**	**45.10**

18. Revenue from contracts with customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Type of service		
Consumer platform	2,428.73	1,630.94
Enterprise platform	160.81	129.76
Other operating revenue	77.80	61.56
Total revenue from contracts with customers	**2,667.34**	**1,822.26**

(Amount in INR million, unless otherwise stated)

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Geographical markets		
India	2,271.82	1,607.20
Singapore	202.13	171.36
Others	193.39	43.70
Total revenue from contracts with customers	**2,667.34**	**1,822.26**

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Timing of revenue recognition		
Services transferred at a point in time	2,506.53	1,692.50
Services transferred over time	160.81	129.76
Total revenue from contracts with customers	**2,667.34**	**1,822.26**

(ii) Contract balances

	As at	
Particulars	March 31, 2021	March 31, 2020
Trade receivables (refer note 10)	694.99	369.65
	694.99	**369.65**

Contract assets (net)

A contract asset is the right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognised where there is excess of revenue over billings.

Changes in contract assets are as follows:

	As at	
Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year [net of allowance for impairment amounting to INR 2.39 million (April 1, 2019: INR 2.39 million)]	159.46	96.49
Revenue recognised during the year	2,667.34	1,822.26
Invoices raised during the year	2,538.30	1,759.29
Balance at the end of the year [net of allowance for impairment amounting to INR 2.39 million (March 31, 2020: INR 2.39 million)]	**288.50**	**159.46**

(Amount in INR million, unless otherwise stated)

Contract liabilities

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Advance from customers	3.97	3.74
Deferred revenue (refer note 44)	213.46	0.27
Total	**217.43**	**4.01**
Current	**43.37**	**4.01**
Non-current	**174.06**	**-**

Changes in advance from customers are as follows:

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Balance at the beginning of the year	**3.74**	**2.11**
Advance received during the year	4.82	3.24
Advance adjusted against invoices during the year	2.50	1.42
Advance written back	2.09	0.19
Balance at the end of the year	**3.97**	**3.74**

Changes in deferred revenue are as follows:

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Balance at the beginning of the year	**0.27**	**0.39**
Added during the year	213.46	0.27
Invoiced during the year	0.27	0.39
Balance at the end of the year	**213.46**	**0.27**

Set out below is the amount of revenue recognised from:

	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Amounts included in contract liabilities at the beginning of the year	0.27	0.39
Performance obligations satisfied in previous years	-	-

(iii) Performance obligations

Information about the Company's performance obligations are summarised below:

Consumer platform
The performance obligation is satisfied at a point in time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the advertisement services are provided.

Enterprise platform
The performance obligation is satisfied over time and payment is generally due within 30 to 90 days of completion of services and acceptance of the customer. In some contracts, short-term advances are required before the software development services are provided.

As the duration of the contracts for consumer and enterprise platform is less than one year, the Company has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

Other operating revenue
The performance obligation is satisfied at a point in time and payment is generally due within 60 to 180 days of completion of services and acceptance of the customer.

Notes:
Due to the adoption of Ind AS 115, there is no impact on the revenue recognised by the Company. Hence, the reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price is not required.

19. Other income

	For the year ended	
Particulars	**March 31, 2021**	**March 31, 2020**
Interest income on financial assets measured at amortised cost:		
Bank deposits	21.24	34.59
Income tax refund	-	1.83
Security deposits	0.20	0.13
Fair value gain on financial instruments at fair value through profit or loss (refer note 44)	34.12	-
Exchange differences (net)	0.68	1.00
Miscellaneous income	8.21	13.75
Total	**64.45**	**51.30**

20. Inventory and data costs

	For the year ended	
Particulars	**March 31, 2021**	**March 31, 2020**
Inventory cost	1,481.23	873.82
Platform cost	18.49	43.71
Cloud hosting charges	106.15	78.20
	1,605.87	**995.73**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 39)	(12.26)	(19.35)
Total	**1,593.61**	**976.38**

21. Employee benefits expense

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Salaries, wages and bonus	359.91	287.50
Contribution to provident and other funds	9.91	8.97
Gratuity expense (refer note 28)	3.63	3.21
Staff welfare expenses	1.64	5.78
	375.09	**305.46**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 39)	(57.27)	(63.75)
Total	**317.82**	**241.71**

22. Finance costs

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Interest on borrowings	0.69	0.53
Interest on lease liabilities	1.54	1.07
Interest on income tax	0.39	0.07
Bank charges	0.94	1.39
Others	-	0.01
Total	**3.56**	**3.07**

23. Depreciation and amortisation expense

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipments (refer note 3)	5.20	5.31
Amortisation of other intangible assets (refer note 4)	51.70	45.12
Amortisation of right-of-use assets (refer note 29)	8.82	3.68
	65.72	**54.11**

(Amount in INR million, unless otherwise stated)

24. Other expenses

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Power and fuel	0.11	0.57
Rent	4.93	15.17
Rates and taxes	15.00	10.47
Insurance	3.50	2.46
Repair and maintenance - others	2.98	6.35
Legal and professional fees (including payment to statutory auditor, refer detail below)*	123.95	37.29
Travelling and conveyance	0.38	14.02
Communication costs	0.69	1.84
Printing and stationery	0.07	0.57
Recruitment expenses	0.92	1.63
Business promotion	61.39	10.35
Bad debts written off	-	14.30
Less: Utilised from impairment allowance of trade receivables	-	(14.30)
Impairment allowance of trade receivables	10.43	18.98
Advances written off	2.05	-
Loss on disposal of property, plant and equipments (net)	-	0.06
Software license fee	110.87	27.18
Directors sitting fee	4.50	4.86
CSR Expenses**	5.41	2.56
Miscellaneous expenses	9.51	7.86
	356.69	**162.22**
Less: Cost capitalised as intangible assets or intangible assets under development (refer note 39)	(1.27)	(4.18)
Total	**355.42**	**158.04**

(Amount in INR million, unless otherwise stated)

	For the year ended	
	March 31, 2021	March 31, 2020
*Payment to statutory auditor:		
As auditors:		
Audit fee	7.50	6.50
In other capacity		
Advisory and certification services	0.45	0.15
Reimbursement of expenses	0.06	0.22
Total	**8.01**	**6.87**

	For the year ended	
	March 31, 2021	March 31, 2020
**Details of CSR expenditure:		
a) Gross amount required to be spent during the year	5.41	2.56

	In Cash	Yet to be paid in cash	Total
b) Amount spent during the year ending on March 31, 2021:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	5.41	-	5.41
c) Amount spent during the year ending on March 31, 2020:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	2.25	0.31	2.56

25. Other comprehensive income

The disaggregation of changes to other comprehensive income by each type of reserve in equity is shown below:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Re-measurement gains/(losses) on defined benefit plans	(0.95)	1.55
Income tax effect	0.24	(0.39)
Total	**(0.71)**	**1.16**

26. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

(Amount in INR million, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Profit attributable to equity holders for basic earnings (in million)	282.27	328.85
Effect of dilution	-	-
Profit attributable to equity holders for the effect of dilution	**282.27**	**328.85**
Weighted average number of equity shares used for computing basic earning per share (in million)*	25.49	25.07
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution	**25.49**	**25.07**
Basic EPS (absolute value in INR)	11.07	13.12
Diluted EPS (absolute value in INR)	11.07	13.12

Note: *The weighted average number of equity shares for the year ended March 31, 2020 takes into account the weighted average effect of equity shares issued during that year.

27. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:
- Capital Management (refer note 36)
- Financial risk management objectives and policies (refer note 35)
- Sensitivity analysis (refer note 28, note 35 and note 38)

This note provides an overview of the areas that involved a higher degree of judgement or complexity. Detailed information on each of these estimates and judgments is included in relevant notes together with information about basis of calculation for each of the line item in the financial statements. Areas involving critical estimates and judgments are:

(a) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company has not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. Refer note 38 for further disclosures.

(Amount in INR million, unless otherwise stated)

(b) Provision for expected credit losses of trade receivables and contract assets
Trade receivables and contract assets do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible. For details of allowance for doubtful debts please refer note 10.

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India. Further details about gratuity obligations are given in note 28.

(d) Intangible assets under development
The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. At March 31, 2021, the carrying amount of capitalised intangible asset under development was INR 87.24 million (March 31, 2020: INR 48.00 million).

This amount includes significant investment in the development of platforms.

(e) Fair value measurement of derivative instruments
The Company uses valuation techniques including the DCF model for the fair valuation of derivative instruments recorded in the balance sheet. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of derivative instruments. See note 44 for further details.

(f) Leases- estimating the incremental borrowing rate
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

28. Employee benefits

A. Defined contribution plans

Provident fund:
The Company makes contribution towards employees' provident fund. The Company has recognised INR 9.86 million (March 31, 2020: INR 8.97 million) as an expense towards contribution to this plan.

B. Defined benefit plans

Gratuity: The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the other comprehensive income (OCI).

This is an unfunded benefit plan for qualifying employees. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and other comprehensive income and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are, as follows:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**12.95**	**12.65**
Current service cost	2.76	2.24
Interest cost	0.87	0.97
Benefits paid	(1.06)	(1.36)
Re-measurement losses / (gains) on obligation	0.95	(1.55)
Balance as at the end of the year	**16.47**	**12.95**

Amount recognised in the statement of profit and loss:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Current service cost	2.76	2.24
Interest cost	0.87	0.97
Net expense recognised in the statement of profit and loss	**3.63**	**3.21**

(Amount in INR million, unless otherwise stated)

Amount recognised in other comprehensive income:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Re-measurement loss / (gain) on arising in demographic assumptions	0.03	(2.35)
Re-measurement gain on arising in financial assumptions	-	(3.19)
Re-measurement loss on arising from experience adjustment	0.92	3.99
Net expense / (income) recognised in other comprehensive income	**0.95**	**(1.55)**

The principal actuarial assumptions used in determining gratuity liability for the Company's plan is shown below:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Discount rate	6.76%	6.76%
Future salary increase	5.00%	5.00%
Withdrawal rate (per annum)		
- Up to 30 years	32.70%	33.00%
- From 31 years to 44 years	32.70%	33.00%
- From 44 years to 58 years	32.70%	33.00%
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)

The discount rate is based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption is as shown below:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Present value of obligation at the end of the year	16.47	12.95
Impact of the change in discount rate		
Impact due to increase of 0.50 %	(0.22)	(0.17)
Impact due to decrease of 0.50 %	0.22	0.17
Impact of the change in salary rate		
Impact due to increase of 0.50 %	0.22	0.17
Impact due to decrease of 0.50 %	(0.22)	(0.17)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting year.

(Amount in INR million, unless otherwise stated)

The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan in future years:

	For the year ended	
Particulars	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting year)	0.45	3.49
Between 2 and 5 years	8.87	7.10
Between 5 and 10 years	7.15	2.36
Total expected payments	**16.47**	**12.95**

The average duration of the defined benefit plan obligation at the end of the reporting year is 2.49 years (March 31, 2020: 2.46 years).

29. Leases

Company as lessee

The Company has taken office premises on lease. The lease has been entered for a period ranging from one to nine years with renewal option. The Company has the option, under some of its lease, to renew the lease for an additional years on a mutual consent basis.

The incremental borrowing rate for the lease liabilities is 11% per annum.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**22.06**	**-**
Addition during the year	-	25.74
Amortisation during the year	8.82	3.68
Balance as at the end of the year	**13.24**	**22.06**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at	
Particulars	March 31, 2021	March 31, 2020
Balance as at the beginning of the year	**22.77**	-
Addition during the year	-	25.74
Accretion of interest	1.54	1.07
Payments during the year	(6.52)	(4.04)
Rebate received during the year	(4.78)	-
Balance as at the end of the year	**13.01**	**22.77**
Current	**7.50**	**8.18**
Non-current	**5.51**	**14.59**

(Amount in INR million, unless otherwise stated)

The following are the amounts recognised in the statement of profit or loss:

	For the year ended	
Particulars	**March 31, 2021**	**March 31, 2020**
Amortisation of right-of-use assets	8.82	3.68
Interest expense on lease liabilities	1.54	1.07
Expenses relating to short term leases (included in other expenses)	4.09	12.43
Expenses relating to low value assets (included in other expenses)	0.06	0.05

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2021	14.03	8.57	5.46	-	-
As at March 31, 2020	25.21	10.10	10.60	4.51	-

Note: The Company has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs ('MCA') on July 24, 2020 to all rent rebate received as a direct consequence of COVID-19 pandemic. Accordingly, the Company recognized an amount of INR 4.78 million as other income. The Company has further got rent waivers for other premises taken on lease and it has resulted in cost saving of INR 3.30 million during the year ended March 31, 2021.

a. Capital commitments

As at March 31, 2021, the Company has commitments on capital account and not provided for (net of advances) of INR 9.51 million (March 31, 2020: INR 15.35 million).

b. Contingent liabilities

(i) Claims against the Company not acknowledged as debts includes the following:
- Income tax demand from the Income tax authorities for assessment year 2017-18 of INR 64.88 million on account of disallowance of bad debts written off, advances written off, amortization of goodwill and certain expenses under various heads as claimed by the Company in the income tax. The matter is pending before Commissioner of Income Tax (Appeals), Mumbai.

- Income tax demand from the Income tax authorities for assessment year 2015-16 of INR 2.95 million on account of disallowance of availment of cenvat credit and write off of certain advances in the income tax. The matter is pending before ITAT.

The Company is contesting the demands and the management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. The likelihood of the above cases going in favour of the Company is probable and accordingly has not considered any provision against the demands in the financial statements.

(ii) The Company has issued Standby Letter of Credit (SBLC) amounting to INR 695.74 million (equivalent of USD 9.5 million) in favour of Axis Bank Limited, Singapore in lieu of term loan taken by Affle International Pte. Ltd, wholly owned subsidiary of the Company.

31. Related party disclosures

(i) Names of related parties and related party relationship

S.No.	Relationship	Name of the related party
(i)	Holding Company	Affle Holdings Pte. Ltd. Singapore
(ii)	Direct Subsidiary Company	Affle International Pte. Ltd. Singapore
(iii)	Step down subsidiaries of direct subsidiary	• PT. Affle Indonesia, Indonesia • Affle MEA FZ LLC, Dubai (Subsidiary with effect from April 01, 2019) • Mediasmart Mobile S.L, Spain (Subsidiary with effect from January 22, 2020) • Mediasmart Mobile Limited, UK (Subsidiary with effect from January 22, 2020)# • Appnext Pte. Ltd., Singapore (Subsidiary with effect from June 08, 2020) • Appnext Technologies Limited, Israel (Subsidiary with effect from July 19, 2020)
(iv)	Fellow subsidiaries	• Affle Global Pte. Ltd., Singapore • Affle X Private Limited
(v)	Key management personnel	• Anuj Kumar (Director) • Anuj Khanna Sohum (Chairman, Managing Director & Chief Executive Officer) • Kapil Mohan Bhutani (Chief Financial & Operations Officer) [Director till May 31, 2020] • Akanksha Gupta (Company Secretary) [till April 30, 2019] • Parmita Choudhury (Company Secretary) [w.e.f. June 01, 2019] • Bijynath Nawal (Independent Director) • Sumit Mamak Chadha (Independent Director) • Vivek Narayan Gour (Independent Director) • Naresh Chand Gupta (Independent Director) [till May 31, 2020] • Sudhir Mohanlal Jatia (Independent Director) [till May 31, 2020]

the subsidiary has been dissolved w.e.f. March 23, 2021

(Amount in INR million, unless otherwise stated)

(ii) The following table provides the total value of transactions that have been entered into with related parties for the relevant year:

(Amount in INR million, unless otherwise stated)

Particulars	Direct subsidiary Company For the year ended March 31, 2021	Direct subsidiary Company For the year ended March 31, 2020	Step down subsidiary For the year ended March 31, 2021	Step down subsidiary For the year ended March 31, 2020	Fellow subsidiary For the year ended March 31, 2021	Fellow subsidiary For the year ended March 31, 2020	Holding Company For the year ended March 31, 2021	Holding Company For the year ended March 31, 2020
Parent								
Rendering of service by the Company*								
Affle Holdings Pte. Ltd.	-	-	-	-	-	-	-	13.38
Affle International Pte. Ltd.	143.63	136.81	-	-	-	-	-	-
Affle MEA FZ LLC	-	-	58.49	-	-	-	-	-
Rendering of service to the Company								
Affle International Pte. Ltd.	14.24	22.26	-	-	-	-	-	-
Affle MEA FZ LLC	-	-	88.72	-	-	-	-	-
Mediasmart Mobile S.L.	-	-	9.67	-	-	-	-	-
Appnext Pte. Ltd.	-	-	112.25	-	-	-	-	-
Reimbursement of expenses to the Company								
Affle Holdings Pte. Ltd.	-	-	-	-	-	-	2.50	109.95
Affle International Pte. Ltd.	106.95	172.08	-	-	-	-	-	-
Reimbursement of expenses by the Company								
Affle International Pte. Ltd.	148.50	215.89	-	-	-	-	-	-
Affle MEA FZ LLC	-	-	0.16	-	-	-	-	-
Appnext Pte. Ltd.	-	-	190.38	-	-	-	-	-
Affle Global Pte. Ltd.	-	-	-	-	-	0.19	-	-
Affle X Private Limited	-	-	-	-	-	10.40	-	-
Investment in subsidiary								
Affle International Pte. Ltd.	363.22	301.54	-	-	-	-	-	-

(iii) Transaction with key management personnel

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Compensation paid**:		
Anuj Kumar		
Short-term employee benefits	9.43	11.63
Kapil Mohan Bhutani		
Short-term employee benefits	9.75	9.30
Akanksha Gupta (till April 30, 2019)		
Short-term employee benefits	-	0.15
Anuj Khanna Sohum		
Short-term employee benefits	0.25	0.25
Parmita Choudhury (w.e.f. June 01, 2019)		
Short-term employee benefits	0.89	0.71
Other reimbursements	0.00	-
Bijynath Nawal		
Sitting fees	1.35	0.72
Naresh Chand Gupta (till May 31, 2020)		
Sitting fees	0.18	1.26
Sudhir Mohanlal Jatia (till May 31, 2020)		
Sitting fees	0.18	0.45
Sumit Mamak Chadha		
Sitting fees	1.62	1.35
Vivek Narayan Gour		
Sitting fees	1.17	1.08

Note:

* Includes other operating income of INR 77.80 million (March 31, 2020: INR 61.56 million).

** The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. Also, it does not include provision for incentives, payable on the basis of actual performance parameters, in next year.

(Amount in INR million, unless otherwise stated)

(iv) Balances as at the year end

Particulars	Direct subsidiary Company		Step down subsidiary		Fellow subsidiary		Holding Company	
	As at		As at		As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Parent								
Trade receivables								
Affle International Pte. Ltd.	4.40	91.12	-	-	-	-	-	-
Affle MEA FZ LLC	-	-	7.55	-	-	-	-	-
Affle Global Pte. Ltd.	-	-	-	-	-	0.23	-	-
Trade payables								
Affle International Pte. Ltd.	5.91	53.60	-	-	-	-	-	-
Affle MEA FZ LLC	-	-	6.94	-	-	-	-	-
Mediasmart Mobile S.L.	-	-	2.43	-	-	-	-	-
Appnext Pte. Ltd.	-	-	85.31	-	-	-	-	-
Other financial assets								
Affle Holdings Pte. Ltd.	-	-	-	-	-	-	2.50	-
Affle International Pte. Ltd.	6.31	-	-	-	-	-	-	-
Other current financial liabilities								
Affle International Pte. Ltd.	-	301.54	-	-	-	-	-	-

(Amount in INR million, unless otherwise stated)

Particulars	Key management personnel	
	As at	
	March 31, 2021	March 31, 2020
Payable to key management personnel:		
Anuj Kumar		
Salary payable	0.73	0.73
Kapil Mohan Bhutani		
Salary payable	0.83	0.65
Anuj Khanna Sohum		
Salary payable	0.02	0.02
Parmita Choudhury (w.e.f. June 01, 2019)		
Salary payable	0.08	0.07

No amount has been written off or written back in the year in respect of debts due from/to above related parties.

Terms and conditions of transactions with related parties

The sale and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2021 and year ended March 31, 2020, the Company has not recorded any impairment of trade receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers.

The Chief Operating Decision Maker (CODM) being the Board of Directors (Board) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to advertisement and software development segment.

The "Consumer platform" segment provides mobile advertisement services to its customers and is a reseller of advertisement space for online publishing companies.

The "Enterprise platform" segment provides customized mobile app development services.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies.

(Amount in INR million, unless otherwise stated)

The summary of the segmental information for the year ended and as at March 31, 2021 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from contracts with customers	2,506.53	160.81	-	2,667.34
Total income (A)	**2,506.53**	**160.81**	**-**	**2,667.34**
Expense				
Inventory and data costs	1,593.61	-	-	1,593.61
Employee benefits expenses	261.63	56.19	-	317.82
Depreciation and amortization expenses	65.43	0.29	-	65.72
Other expenses	338.43	16.99	-	355.42
Total expense (B)	**2,259.10**	**73.47**	**-**	**2,332.57**
Segment profit (A-B)	**247.43**	**87.34**	**-**	**334.77**
Capital expenditure				
Property, plant and equipment	8.37	-	-	8.37
Other intangible assets	34.73	-	-	34.73
Depreciation and amortisation expenses	65.43	0.29	-	65.72
Other non-cash expenses	10.43	-	-	10.43

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	1,287.70	39.45	1,327.15
Total assets	**1,287.70**	**39.45**	**1,327.15**
Segment liabilities	793.69	16.08	809.77
Total liabilities	**793.69**	**16.08**	**809.77**

(Amount in INR million, unless otherwise stated)

The summary of the segmental information for the year ended and as at March 31, 2020 is as follows:

Particulars	Consumer platform	Enterprise platform	Elimination	Total
Income				
Revenue from contracts with customers	1,692.50	129.76	-	1,822.26
Total income (A)	**1,692.50**	**129.76**	**-**	**1,822.26**
Expense				
Inventory and data costs	976.38	-	-	976.38
Employee benefits expenses	187.30	54.41	-	241.71
Depreciation and amortisation expenses	54.11	-	-	54.11
Other expenses	136.84	21.20	-	158.04
Total expense (B)	**1,354.63**	**75.61**	**-**	**1,430.24**
Segment profit (A-B)	**337.87**	**54.15**	**-**	**392.02**
Capital expenditure				
Property, plant and equipment	5.88	-	-	5.88
Other intangible assets	57.28	-	-	57.28
Depreciation and amortisation expenses	54.11	0.20	-	54.31
Other non-cash expenses	21.30	-	-	21.30

Particulars	Consumer platform	Enterprise platform	Total
Segment assets	746.24	110.86	857.10
Total assets	**746.24**	**110.86**	**857.10**
Segment liabilities	811.91	13.36	825.27
Total liabilities	**811.91**	**13.36**	**825.27**

(Amount in INR million, unless otherwise stated)

Reconciliation to amounts reflected in the financial statements

a. Reconciliation of profit

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Segment profit	334.77	392.02
Finance cost	3.56	3.07
Interest income on financial assets measured at amortised cost:		
Bank deposits	21.24	34.59
Income tax	-	1.83
Security deposits	0.20	0.13
Fair value gain on financial instruments at fair value through profit or loss	34.12	-
Exchange differences (net)	0.68	1.00
Miscellaneous income	8.21	13.75
Profit before tax	**395.66**	**440.25**

b. Reconciliation of assets

Particulars	As at March 31, 2021	As at March 31, 2020
Segment assets	1,327.15	857.10
Investments	1,035.32	439.98
Derivative instruments	237.80	-
Loans	7.73	26.94
Other non current assets	9.58	19.14
Cash and cash equivalent	202.00	572.79
Other bank balances	140.96	568.81
Other financial assets	18.50	7.65
Other current assets	48.69	40.58
Total assets	**3,027.73**	**2,532.99**

c. Reconciliation of liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Segment liabilities	809.77	825.27
Deferred tax liabilities (net)	23.58	1.88
Other current liabilities	42.78	45.10
Contract liabilities	213.46	-
Liabilities for current tax (net)	6.25	10.41
Total liabilities	**1,095.84**	**882.66**

(Amount in INR million, unless otherwise stated)

Geographical information

Particulars	India	Singapore	Others	Total
Revenue from contracts with customers				
Sales to external customers	2,271.82	202.13	193.39	**2,667.34**
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	344.51	-	-	**344.51**
Capital expenditure				
Property, plant and equipment	8.37	-	-	**8.37**
Other intangible assets	34.73	-	-	**34.73**

Year ended and as at March 31, 2020

Particulars	India	Singapore	Others	Total
Revenue from contracts with customers				
Sales to external customers	1,607.20	171.36	43.70	**1,822.26**
Other segment information				
Non-current assets (other than financial assets and deferred tax asset)	318.31	-	-	**318.31**
Capital expenditure				
Property, plant and equipment	5.88	-	-	**5.88**
Other intangible assets	57.28	-	-	**57.28**

The Company had one customer who contributed more than 10% of the Company's revenue from contracts with customers for the year ended March 31, 2021 and 2020 respectively. The total amount of revenue from contracts with these customer for the year ended March 31, 2021 was INR 544.69 million (March 31, 2020: INR 653.91 million).

(Amount in INR million, unless otherwise stated)

33. Statement of fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	March 31, 2021		March 31, 2020	
	Fair value through profit and loss	Amortised cost	Fair value through profit and loss	Amortised cost
Financial assets				
Investments	1,035.32	-	439.98	-
Derivative instruments	237.80	-	-	-
Loans	-	16.46	-	36.62
Trade receivables	-	694.99	-	369.65
Cash and cash equivalent	-	202.00	-	572.79
Other bank balances	-	140.96	-	568.81
Other financial assets	-	18.50	-	7.65
Total	**1,273.12**	**1,072.91**	**439.98**	**1,555.52**
Financial liabilities				
Trade payables	-	727.04	-	450.68
Lease liabilities	-	13.01	-	22.77
Other financial liabilities	-	44.07	-	330.02
Total	**-**	**784.12**	**-**	**803.47**

The management assessed that cash and cash equivalent, other bank balances, trade receivables, loans, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts and fair value of the Company's financial instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Further, the subsequent measurements of all assets and liabilities (other than investments) is at amortised cost, using effective interest rate (EIR) method.

The following methods and assumptions were used to estimate the fair values

Receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(Amount in INR million, unless otherwise stated)

34. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

- Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 : Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.
- Level 3 : Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021

			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2021	1,035.32	-	-	1,035.32
Derivative instruments	March 31, 2021	237.80	-	-	237.80
		1,273.12	-	-	**1,273.12**
Assets measured at FVTOCI	March 31, 2021	-	-	-	-
Liabilities measured at FVTPL	March 31, 2021	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2021	-	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2021.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020

			Fair value measurement using		
Particulars	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
FVTPL financial instruments:					
Investments	March 31, 2020	439.98	-	-	439.98
		439.98	-	-	-
Assets measured at FVTOCI	March 31, 2020	-	-	-	-
Liabilities measured at FVTPL	March 31, 2020	-	-	-	-
Liabilities measured at FVTOCI	March 31, 2020	-	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2020.

Valuation technique used to derive fair values

The Company's unquoted instruments is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. 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 equity investments.

35. Financial risk management objectives and policies

The Company's principal financial liabilities comprises trade payables, other payables, capital creditors and employee related payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalent that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of a change in market price.

(i) 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's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risk associated with foreign currency fluctuations or for trading/speculation purpose.

The amount of foreign currency exposure not hedged by derivative instruments or otherwise is as under:

	As at March 31, 2021		As at March 31, 2020	
Particulars	Foreign currency	Amount in INR	Foreign currency	Amount in INR
Financial liabilities				
Trade payables				
USD	1.78	130.52	1.56	117.61
Contract liabilities				
USD	0.00	0.02	0.03	2.26
Cash and cash equivalents				
USD	0.57	41.90	0.33	24.80
Financial Assets				
Trade receivables				
USD	0.40	29.42	1.39	104.69
SGD	0.01	0.64	0.01	0.62
Other receivables				
USD	0.12	8.81	-	-

The following table demonstrate the sensitivity to a reasonable possible change in INR to USD and INR to SGD exchange rates on profit before tax arising as a result of the revaluation of the Company's foreign currency financial assets and unhedged liabilities.

	Effect on profit before tax		Effect on pre-tax equity	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Effect of 10% strengthening of INR against USD*	5.04	(0.96)	5.04	(0.96)
Effect of 10% strengthening of INR against SGD*	(0.06)	(0.06)	(0.06)	(0.06)
Effect of 10% weakening of INR against USD	(5.04)	0.96	(5.04)	0.96
Effect of 10% weakening of INR against SGD	0.06	0.06	0.06	0.06

*Figures in the bracket signifies credit to statement of profit and loss account

b. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions.

A counterparty whose payment is due more than 90 days after the due date is considered as a defaulted party. This is based on considering the market and economic forces in which the Company operates. The Company write-off the amount if the credit risk of counter-party increases significantly due to its poor financial position.

All the financial assets carried at amortised cost were into good category except some portion of trade receivables considered under doubtful category (refer note 10).

Trade receivables and contract assets

Trade receivables are typically unsecured. Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company is exposed to credit risk in the event of non-payment by customers. An impairment analysis is performed at each reporting date and as a simplified approach the Company provides for 0.5% of revenues and any amounts aged for more than one year and remaining uncollected. The estimate is based on lifetime expected credit losses and is reassessed periodically. Trade receivables disclosed in note 10 include amounts which are past due at the reporting date but against which the Company has not recognized an allowance for doubtful receivables because the amount are still considered recoverable.

However, the Company in current year have used a provision matrix method to measure the expected credit loss of trade receivables and contract assets and the provision rates are based on days past due for the customers. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

(Amount in INR million, unless otherwise stated)

The ageing analysis of trade receivables and contract assets as of the reporting date is as follows:

			Trade receivables						
As at	Particulars	Contract assets Current	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2021	ECL rate	0.91%	0.91%	26.78%	37.51%	65.96%	72.94%	100.00%	
	Gross carrying amount	264.17	669.20	6.16	14.82	11.02	8.75	3.22	**713.17**
	ECL- simplified approach	2.39	6.05	1.65	5.56	7.27	6.38	3.22	**30.13**
	Net carrying amount	261.78	663.15	4.51	9.26	3.75	2.37	-	**683.04**

			Trade receivables						
As at	Particulars	Contract assets Current	0-90 days	90-180 days	180-360 days	1-2 year	2-3 year	> 3 year	Total
March 31, 2020	Gross carrying amount	161.85	263.69	13.33	7.73	9.50	3.75	-	**298.00**

The Company has provision of INR 30.13 million (March 31, 2020: INR 19.70 million) for trade receivables and provision of INR 2.39 million (March 31, 2020: INR 2.39 million) for contract assets.

Reconciliation of impairment allowance on trade receivables

Particulars	March 31, 2021	March 31, 2020
Opening impairment allowance	**19.70**	**15.02**
Add: Additions during the year	10.43	18.98
Less: Bad debts written off (net of recovery)	-	(14.30)
Closing impairment allowance	**30.13**	**19.70**

None of those trade receivable past due or impaired have had their terms renegotiated. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables presented in the financial statement. The Company does not hold any collateral or other credit enhancements over balances with third parties nor does it have a legal right of offset against any amounts owed by the Company to the counterparty. For receivables which are overdue the Company has subsequently received payments and has reduced its overdue exposure.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner.

A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Company also monitors compliance with its debt covenants. The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	Contractual undiscounted value	0-1 year	1-2 years	2-5 years	More than 5 years
As at March 31, 2021					
Trade payables	727.04	727.04	-	-	-
Lease liabilities	14.03	8.57	5.46	-	-
Other financial liabilities	44.07	44.07	-	-	-
	785.14	**779.68**	**5.46**	**-**	**-**
As at March 31, 2020					
Trade payables	450.68	450.68	-	-	-
Lease liabilities	25.21	10.10	10.60	4.51	-
Other financial liabilities	330.02	330.02	-	-	-
	805.91	**790.80**	**10.60**	**4.51**	**-**

36. Capital management

The Board's policy maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the amount of dividend if any to shareholders.

For the purpose of the Company's capital management, capital includes issued equity capital and general reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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, trade and other payables, less cash and cash equivalents. The Company's policy is to keep the gearing ratio between 0% and 30%.

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables (refer note15)	727.04	450.68
Lease liabilities (refer note 29)	13.01	22.77
Other financial liabilities (refer note 16)	44.07	330.02
Less: Cash and cash equivalents (refer note 11)	(202.00)	(572.79)
Net debts	**582.12**	**230.68**
Total capital	**1,931.89**	**1,650.33**
Capital and net debt	**2,514.01**	**1,881.01**
Gearing ratio (%)	**23%**	**12%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year.

37. Dues to micro and small enterprises as defined under the MSMED Act, 2006

In term of the requirement of the Micro, Small and Medium Enterprise Development Act, 2006, the Company has continuously sought confirmations. Based on the information available with the Company, the following are the details of principal/ interest amount due to micro and small enterprises.

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	4.39	6.85
- Interest due on above	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	Nil	Nil

38. Business combination

38.1 Business combinations under common control

Scheme of amalgamation in accordance with previous GAAP

During the year ended March 31, 2017, the Holding Company has merged its fellow subsidiaries i.e. AD2C Holdings, AD2C India, Appstudioz Technologies into one merged entity, Affle India Limited under the court approved scheme of amalgamation in accordance with erstwhile applicable previous GAAP.

Business combination under common control has been accounted for using purchase method in accordance with previous GAAP as prescribed under court scheme instead of using pooling interest method as prescribed under Ind AS 103. Business Combinations as the approved court scheme will prevail over applicable accounting standard.

Accordingly, the Scheme was accounted for using purchase method in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations". All the assets and liabilities of the Transferor Companies have been incorporated at fair values as at 1 April 2015 against the purchase consideration of INR 84.64 million which resulted in the Goodwill on amalgamation of amounting INR 59.24 million.

Goodwill acquired through business combinations have indefinite life. The Company performed its impairment test for the year ended March 31, 2021.

38.2 Acquisition of identified business of Vizury Interactive Solutions Private Limited

On September 1, 2018, Affle (India) Limited ("the Company") acquired the Commerce Business ("Identified Business") of Vizury Interactive Solutions Private Limited ("Vizury India") for a consideration of INR 106.44 million (equivalent to USD 1.50 million at the exchange rate of USD1= INR 70.96) minus profit after tax of Vizury India for the period May 15, 2018 to August 31, 2018 of INR 21.37 million (equivalent to USD 0.30 million at the exchange rate of USD1= INR 70.96).

The Company acquired the Identified Business of Vizury India so as to continue the expansion of the consumer platform segment.

Assets acquired and liabilities assumed

In the previous year, the management of the Company had used services of an external independent expert to carry out a detailed Purchase Price Allocation ("PPA") of the purchase consideration paid to the shareholders of Vizury India. Pursuant to such PPA valuation, conducted by an independent expert, the net consideration of INR 85.07 million had been allocated, based on the fair value computations, at the acquisition date, as an intangible asset, arising from this acquisition. Based on the PPA information obtained, the fair value of the identifiable net asset arising from the transaction are as follows:

Fair value recognised on acquisition	INR (million)
Assets	
Software application development (Technology)	9.93
Total identifiable net assets	**9.93**
Goodwill arising from acquisition	75.14
Purchase consideration	**85.07**

Analysis of cash flow on acquisition	INR (million)
Transaction costs of the acquisition (included in cash flows from operating activities)	1.02
Consideration paid in cash (included in cash flows from investing activities)	85.07
Consideration payable in cash	-
Purchase consideration	**86.09**

38.3 Impairment testing of goodwill

Goodwill acquired through business combinations have indefinite life. The Company performed its impairment test for the year ended March 31, 2021. The Company considers the relationship between its value in use and its carrying value, among other factors, when reviewing for indicators of impairment.

The recoverable amount of the goodwill is determined based on value in use ('VIU') calculated using cash flow projections from financial budgets approved by management covering a five year period and the terminal value (after considering the relevant long-term growth rate) at the end of the said forecast periods. The Company has used long-term growth rate of 2% (March 31, 2020: 2%) and discount rate of 10% (March 31, 2020: 12.5%) for calculation of terminal value.

The said cash flow projections are based on the senior management past experience as well as expected met trends for the future periods. The projected cash flows have been updated to reflect the decreased demand for services. The calculation of weighted average cost of capital (WACC) is based on the Company's estimated capital structure as relevant and attributable to the Company. The WACC is also adjusted for specific risks, market risks and premium, and other inherent risks associated with similar type of investments to arrive at an approximation of the WACC of a comparable market participant. The said WACC being pre-tax discount rates reflecting specific risks, are then applied to the above mentioned projections of the estimated future cash flows to arrive at the discounted cash flows.

Discount rates represent the market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its WACC.

The key assumptions used in the determination of VIU are the revenue annual growth rates and the EBITDA growth rate. Revenue and EBITDA growths are based on average value achieved in preceding years. Also, the growth rates used to extrapolate the cash flows beyond the forecast period are based on industry standards.

Based on the above assumptions and analysis, no impairment was identified as at March 31, 2021 (March 31, 2020: Nil). Further, on the analysis of the said calculation's sensitivity to a reasonably possible change in any of the above mentioned key assumptions/parameters on which the management has based determination of the recoverable amount, there are no scenarios identified by the management wherein the carrying value could exceed its recoverable amount.

39. Capitalisation of intangible assets

The Company has capitalized the following expenses of revenue nature to the internally developed software. Consequently, the expenses disclosed under the respective heads are net of amounts capitalised by the Company.

	As at	
Particulars	March 31, 2021	March 31, 2020
Salaries, allowances and bonus	57.27	63.75
Rent	0.78	2.69
Power and fuel	0.02	0.10
Printing and stationery	0.01	0.10
Repairs and maintenance - others	0.38	1.03
Communication	0.08	0.26
Cloud hosting charges	12.26	19.35
Total	**70.80**	**87.28**

40. The Company has filed complaint with the police department for embezzlement of the Company's car and filed the statement of claims to recover full cost of the Company's car amounting to INR 0.61 million (March 31, 2020: INR 0.61 million). This embezzlement was done by ex- director of the Company, by transferring the Company's car to the name of his father without any form of consent from the Company. Therefore, the Company has written down entire net book value of the Company's car amounting to INR 0.07 million (March 31, 2020: INR 0.07 million) in the books.

41. The Company has appointed independent consultants for conducting a Transfer pricing study to determine whether the transactions associated enterprise were undertaken at "arm length price". The management confirms that all domestic and international transactions with associated enterprises are undertaken at negotiated contracted price on usual commercial terms and is confident of there being no adjustment on completion of the study. Adjustment, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

42. In preparation of these financial statements, the Company has considered the possible effects that may result from COVID-19 on the carrying amount of its assets. In developing the assumptions relating to the possible future uncertainties in the global conditions because of COVID-19, the Company, as on date on approval of these financial statements has taken into account both the current situation and the likely future developments and has considered internal and external sources of information to arrive at its assessment. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial statements.

43. The Company has completed the Initial Public Offering (IPO) of 6,161,073 Equity Shares of Face Value of INR 10 each for cash at a price of INR 745 per Equity Share aggregating to INR 4,590 million comprising a Fresh Issue of 1,208,053 Equity Shares aggregating to INR 900 million and on Offer for sale of 4,953,020 Equity Shares aggregating to INR 3,690 million. Pursuant to the IPO, the Equity Shares of the Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on August 8, 2019. Out of the sale proceeds for offer for sale, INR 3,690 million was remitted to Selling shareholders -Affle Holdings Pte Ltd. The Company incurred INR 256.66 million as IPO related expenses (inclusive of taxes) which are proportionately allocated between the selling shareholder and the Company. The Company's share of expenses (net of tax), INR 42.36 million has been adjusted against securities premium.

The Company had charged INR 179.90 million from the selling shareholder towards business support services including their share of IPO expenses, based on the agreement with and indemnity from the selling shareholder for the IPO expenses, being a qualified export of services under GST Rules. The Company has relied on expert opinion for invoicing to the selling shareholder.

The details of utilization of IPO proceeds - INR 857.64 million, net of IPO expenses of the Company are as follows:

Particulars	Total amount	Utilised upto March 31, 2021	Un-utilised upto March 31, 2021
Funding for working capital requirements	689.35	611.76	77.59
General corporate purposes	168.29	168.29	-
Total utilised/un-utilised funds	**857.64**	**780.05**	**77.59**

44. On August 08, 2020, the Company had made a strategic, non-controlling investment and acquired 8% stake on a fully diluted basis in Talent Unlimited Online Services Private Limited ("Bobble") for a consideration of INR 198.00 million through Compulsory Convertible Preference Shares ("CCPS"). Additionally, the Company has also entered into an exclusive monetisation agreement for Bobble's intellectual property, which also provides rights to the Company to acquire an additional ownership upto 10.74% of Bobble, through subscription to CCPS and equity shares at a pre-agreed consideration upon meeting of conditions as defined in the monetisation agreement. The addon technology required to monetise was validated during the current year. Accordingly, basis the fair valuation assessment undertaken by an independent valuer on January 31, 2021, and the date of initial recognition being February 15, 2021, the Company has accounted for such rights (call options) amounting to INR 237.80 million as a derivative asset as per Ind-AS 109 with a corresponding credit to contract liabilities to be recognised through statement of profit and loss account over a period of 12-18 months. The derivative asset has been fair valued as at year end and there is no material change from initial recognition. Further, the initial investment made by the Company have been fair valued as at the year end and an amount of INR 34.12 million has been recognised as fair value gain on financial instruments in the statement of profit and loss account.

45. The Finance Act, 2021 has introduced an amendment to section 32 of the Income Tax Act, 1961, whereby Goodwill of a business will not be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective April 1, 2020. In accordance with the requirements of Ind AS 12 - Income Taxes, the Company has recognised one-time tax expense amounting to INR 14.18 million for the year ended March 31, 2021 respectively being the deferred tax liabilities recognized by the Company on difference between book basis and tax basis of goodwill consequent upon enactment of above provisions. This deferred tax liability is not expected to be a cash outflow in the future and its reversal is deemed unlikely as the value of its associated goodwill is expected by value in use.

46. The Code on Social Security 2020 (Code), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employee Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact thereon.

47. Subsequent to year end, the Company has issued 1,153,845 equity shares with face value of INR each, at a premium of INR 5,190 each aggregating to INR 5,999.99 million. Further, the Company has incurred expenses of approx. INR 89 million towards issuance of such equity shares which will be adjusted from the securities premium account.

48. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 101049W/E300004

per Yogesh Midha
Partner
Membership No.: 94941
Place: New Delhi
Date: May 29, 2021

For and on behalf of the Board of Directors of Affle (India) Limited
CIN No.: L65990MH1994PLC080451

Anuj Khanna Sohum
Chairman, Managing Director & Chief Executive Officer
[DIN: 01363666]
Place: Singapore
Date: May 29, 2021

Anuj Kumar
Director
[DIN: 01400273]
Place: Gurugram
Date: May 29, 2021

Kapil Mohan Bhutani
Chief Financial & Operations Officer
Place: Gurugram
Date: May 29, 2021

Parmita Choudhury
Company Secretary
Membership No.: 26261
Place: New Delhi
Date: May 29, 2021

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the shareholders of Affle (India) Limited will be held on Thursday, September 23, 2021 at 10:00 A.M (IST) through video conferencing/audio video means to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors ('the Board') and Auditors thereon.

2. To appoint a Director in place of Ms. Mei Theng Leong (DIN: 08163996), Non-Executive Director who retires by rotation and being eligible for re-appointment, seeks reappointment.

SPECIAL BUSINESS:

3. **To consider, and if thought fit, to pass the following resolution, as Special Resolution:**

Approval of Affle (India) Limited Employee Stock Option Scheme – 2021

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2021 ("SEBI (LODR) Regulations"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of Affle (India) Limited Employee Stock Option Scheme – 2021 ("Scheme") and the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, a maximum of 750,000 (Seven Hundred and Fifty Thousand) Employee Stock Options ("Options") (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to such employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non-Executive Director, of the Company, its Holding Company and its Subsidiary Company(ies) but excluding an employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("Eligible Employees"), exercisable into 750,000 (Seven Hundred and Fifty Thousand) Equity Shares of face value Rs. 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB) Regulations for the purpose of administration and superintendence of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through trust route wherein an irrevocable Trust by the name Affle (India) Limited Employees Welfare Trust, set-up by the Company in compliance with SEBI (SBEB) Regulations, shall acquire the Equity Shares either from secondary acquisition from the market or from direct allotment by the Company and the Equity Shares so acquired by the Trust will either be transferred to the grantees as and when the options are exercised or will be sold by the Trust and the corresponding sale proceeds after adjustment of Exercise Price, applicable income tax amounts and other amounts, if any, will be transferred as and when the options are cashless exercised in accordance with the terms and conditions of the Scheme.

RESOLVED FURTHER THAT the new Equity Shares (if any) to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

4. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

Approval of grant of stock options to the employees of holding Company and subsidiary Company (ies) under Affle (India) Limited Employee Stock Option Scheme – 2021

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), Regulation 6(3)(c) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to extend the benefits of Affle (India) Limited Employee Stock Option Scheme – 2021 ("Scheme") including the grant of Employee Stock Options ("Options") and issuance of Equity Shares thereunder, to such employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non–Executive Director, of the Holding Company and Subsidiary Company(ies) but excluding an employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("Eligible Employees"), on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the Scheme.

RESOLVED FURTHER THAT the new Equity Shares (if any) to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

5. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

Approval of grant of employee stock options by way of secondary acquisition under Affle (India) Limited Employee Stock Option Scheme – 2021

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re–enactment thereof), Regulation 6(3)(c) and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) for secondary acquisition upto 750,000 (Seven Hundred and Fifty Thousand) Equity Shares ("Shares") of the Company by Affle (India) Limited Employees Welfare Trust ("Trust"), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Directors subject however that the total number of Shares under secondary acquisition held by the Trust does not exceed, at any time, 5 (five) percent of the paid-up equity capital of the Company, for the purpose of implementation of the Affle (India) Limited Employee Stock Option Scheme – 2021 ("Scheme") and in due compliance with the provisions of the SEBI (SBEB) Regulations.

FURTHER RESOLVED THAT the secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up equity capital as at the end of the respective previous financial year in due compliance with the provisions of the SEBI (SBEB) Regulations.

FURTHER RESOLVED THAT in case of any corporate action(s) such as bonus issue, rights issue, stock splits or consolidations or other re-organisation, if any, where additional Equity Shares are required to be issued by the Company to the shareholders, then the maximum number of Equity Shares to be acquired by the Trust from the secondary market in any financial year as well as the maximum number of Equity Shares acquired from the secondary market and held by the Trust at any point of time, as aforesaid, shall be increased in the same proportion as the number of such additional Equity Shares issued bears to the number of Equity Shares outstanding immediately prior to such issue.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary and incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

6. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

Approval for sub-division/split of shares

"**RESOLVED THAT** pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 and Rules thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable laws, rules and regulations for the time being in force, if any, prescribed by any relevant authorities from time to time, to the extent applicable, and subject to the provisions of Memorandum and Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, required from any competent authority, and as approved by the Board of Directors of the Company, approval of the members be and is hereby accorded, for sub-dividing the Equity Shares of the Company, such that Equity Shares share having nominal value of Rs. 10/- (Rupees Ten Only) be sub-divided into 5 (Five) Equity Shares having nominal value of Rs. 2/- (Rupees Two Only) each fully paid-up.

RESOLVED FURTHER THAT pursuant to the Sub-division of Equity Shares of the Company, all the Authorized, Issued, Subscribed and Paid-up Equity Shares of nominal value of Rs. 10/- (Rupees Ten Only) each existing on the Record date to be fixed by the Board of Directors of the Company (which shall include any Committee thereof), shall stand sub-divided into 5 (Five) Equity Shares of nominal value of Rs. 2/- (Two Rupees) each fully paid up, as given below:

Type of Capital	Pre-Share Capital Structure			Pre-Share Capital Structure		
	No. of Equity shares	Face Value (Rs.)	Total Share Capital (Rs.)	No. of Equity shares	Face Value (Rs.)	Total Share Capital (Rs.)
Authorised Share Capital	30,000,000	10	300,000,000	150,000,000	2	300,000,000
Issued, Paid-up and subscribed capital	26,650,212	10	266,502,120	133,251,060	2	266,502,120

RESOLVED FURTHER THAT upon sub-division of Equity Shares as aforesaid, the existing share certificates of the Equity Shares of the face value of Rs. 10/- (Rupees Ten Only) each in the physical form shall be deemed to have been automatically cancelled and be of no effect from the Record date, and no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs. 2/- (Two Rupees only) each on sub-division and the Company without requiring the surrender of the old/existing share certificate(s), directly issue and dispatch the new share certificates of the Company, in lieu of such old/existing share certificates within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board of Directors or any Committee thereof be and is hereby authorized to do, perform and execute all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubts that may arise in this regard at any stage at the time of sub-division of shares thereon without requiring the Board of Directors or any Committee thereof to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution, or as the Board of Directors or any Committee thereof in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons and to do all acts connected herewith or incidental hereto including but not limited to delegation of their powers to such person or persons as may be deemed expedient and the members hereby ratify and adopt all such decision, action, etc. as had been taken or undertaken by the Board of Directors or any Committee thereof in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to: (a) delegate execution and filing of necessary applications, declarations, and other documents with stock exchanges, depositories, Registrar and Transfer Agents and/or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the sub-division of the Shares as aforesaid or for any matters connected herewith or incidental hereto; and (d) do all such acts, deeds, things, including all other matters incidental thereto in order to implement the foregoing resolution."

7. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

   Approval for alteration of the Capital Clause of the Memorandum of Association

   "**RESOLVED THAT** pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment(s) thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

   V. The Authorised Share Capital of the Company is Rs. 300,000,000/- (Rupees Three Hundred Million Only i.e. Rupees Thirty Crores Only) divided into 150,000,000 Equity Shares of Rs. 2/- (Rupees Two Only) each , with power to increase or reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as maybe for the time being provided by the Articles of Association of the Company.

   RESOLVED FURTHER THAT the Board of Directors or any Committee thereof be and is hereby severally authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary including but not limited to delegate all or any of the powers herein vested in them to any person or persons, as deemed expedient to give effect to this resolution and the members hereby ratify and adopt all such decision, action, etc. as had been taken or undertaken by the Board of Directors or any Committee thereof in this regard."

8. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

   Approval for shifting of Registered Office from the "State of Maharashtra" to "NCT of Delhi"

   "**RESOLVED THAT** pursuant to provisions of Section 13(4) and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the Companies (Incorporation) Rules, 2021 and subject to confirmation of the Hon'ble Regional Director, Western Region, Mumbai, Maharashtra, Clause II of the Memorandum of Association be substituted by the following clause:

   II. The Registered Office of the Company will be situated in NCT of Delhi.

   RESOLVED FURTHER THAT the aforesaid resolution becoming effective, the Registered Office of the Company be shifted from Mumbai in the State of Maharashtra to NCT of Delhi as may be determined by the Board of Directors of the Company.

   RESOLVED FURTHER THAT Executive Directors of the Company, Chief Financial Officer and Company Secretary be and are hereby jointly and/or severally authorised to make an application to Hon'ble Regional Director, Western Region, Mumbai, Maharashtra and to do all necessary acts, deeds, things to give effect to the above resolution.

   RESOLVED FURTHER THAT certified true copy of the resolution be furnished to the Hon'ble Regional Director, Western Region, Mumbai, Maharashtra or any other competent authority as may be required from time to time."

9. **To consider and, if thought fit, to pass the following resolution, as Special Resolution:**

   Approval for alteration of Articles of Association of the Company

   "**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules made thereunder, consent of the members of the Company be and is hereby accorded for altering the Articles of Association of the Company by way of deletion/ substitution of the following clauses/words of the Articles of Association in conformity with the Companies Act, 2013 and rules made thereunder –

   i. Deletion of Article 1 (tt) and renumbering the Articles after it

   ii. *Substitution of sentence "Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon"* in Article 10 (c) with *"Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the Company Secretary."*

   iii. *Substitution of sentence "Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board of Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board of Directors for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board of Directors permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive Director(s)"* in Article 11(d)(i) with *"Every certificate shall be signed by two directors or by a director and the Company Secretary."*

   iv. Deletion of Article 70 and renumbering the Articles after it

RESOLVED FURTHER THAT Executive Directors of the Company, Chief Financial Officer and Company Secretary, be and are hereby severally authorised to do all such acts, deeds and things as are necessary to give effect to the resolution."

By Order of the Board of Directors
For Affle (India) Limited

Parmita Choudhury
Company Secretary & Compliance Officer
Membership No. A26261

Date: August 26, 2021
Place: Gurugram

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM'/'Meeting') is annexed hereto. The Board of Directors of the Company has opined that the special business, being considered unavoidable, be transacted at 26th AGM of the Company.

2. Pursuant to the provisions of Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings ('SS-2'), the relevant information in respect of the Directors seeking re-appointment at the AGM is attached as "Annexure A" and forms an integral part of this Notice.

3. M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (FRN: 101049W/E300004) were appointed as the Statutory Auditors of the Company in the 24th Annual General Meeting of the Company for carrying out the audit of the financial statements of the Company for the financial years 2019-20 to 2023-24 subject to ratification by members at every Annual General Meeting. The Companies (Amendment) Act, 2017, effective May 7, 2018 had done away with the requirement of annual ratification of appointment of Statutory Auditor. Accordingly, you will notice that the ordinary business Item relating to ratification of the appointment of Auditors is not part of this Notice.

4. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – COVID-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

5. M/s. KFin Technologies Private Limited ("KFintech"), Registrar & Transfer Agent of the Company ("RTA"), shall be providing facility for e-Voting and attending the AGM through VC. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC.

6. In compliance with the applicable MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report for the Financial Year 2020-21 are being sent only through electronic mode (by e-mail) to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and the Annual Report for the Financial Year 2020-21 will also be available on the Company's website at www.affle.com, websites of the Stock Exchanges, i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech at https://evoting.kfintech.com.

7. Members who have not registered their email address as a consequence of which the Annual Report, Notice of AGM, and e-voting instructions could not be serviced or who have become members post sending of this Notice of AGM, may temporarily get their email address and mobile number updated with the Company's RTA i.e. KFintech, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or by sending an e-mail to einward.ris@kfintech.com. Members are requested to follow the process as guided in the above-mentioned link to capture the email address and mobile number for sending the soft copy of the Notice and e-Voting instructions along with the User ID and Password. In case of any queries, please write to einward.ris@kfintech.com.

8. As this AGM is being held pursuant to the Applicable Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

9. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2021, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this notice. The period of remote e-voting before the AGM commences on Monday, September 20, 2021 (9:00 a.m. IST) and ends on Wednesday, September 22, 2021 (5:00 p.m. IST). The voting rights of the Shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e., September 16, 2021.

10. The Company has appointed Ms. Kiran Sharma (FCS 4942 CP No. 3116) of Kiran Sharma & Co., Practicing Company Secretary, to act as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and Ms. Kiran Sharma has communicated her willingness to be appointed and be available for the purpose.

11. The Scrutiniser shall, immediately after the conclusion of the remote e-voting at the AGM, first count the votes cast through remote e-voting during the Meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses not in the employment of the Company, and make a consolidated

Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same.

12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

13. In line with the Applicable Circulars at least 1,000 Members will be able to join the AGM on a first-come- first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Compensation, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.

14. Members seeking or requiring any clarification or information in respect of accounts or any other matter to be placed at the AGM may send their requests to the Company before September 22, 2021 at compliance@affle.com.

15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

16. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA, KFintech for any assistance in this regard.

17. Pursuant to the provisions of Section 72 of the Act, Members can avail themselves of the facility of nomination in respect of shares held by them. Members desiring to avail of this facility may contact their respective Depository Participant(s).

18. Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

19. **Inspection of Documents**

    The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.

    All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to compliance@affle.com.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. VOTING THROUGH ELECTRONIC MEANS:

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2021, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations and applicable Circulars, the Company is offering the facility of remote e-Voting to its Members. The facility of casting votes by a Member using a remote e-Voting system before the AGM as well as during the AGM will be provided by Company's Registrar and Transfer Agent – M/s KFin Technologies Private Limited. The instructions for remote e-Voting are given herein below and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.

b) The remote e-Voting period commences on Monday, September 20, 2021 (9:00 a.m. IST) and ends on Wednesday, September 22, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in demat form, as on September 16, 2021 (i.e. "Cut-off" Date), may cast their vote electronically.

c) The e-Voting module shall be disabled by KFintech for voting thereafter. Those Members, who will be present in the AGM through VC/ OAVM facility and have not cast 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 system during the AGM. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off Date.

d) The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their vote again.

e) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-Voting to the Members, there shall be no voting by show of hands at the AGM. The Company is also offering facility for voting by way of "Insta Poll" at the AGM for the Members attending the meeting who have not cast their vote by remote e-Voting. If a Member cast votes by both modes i.e. remote e-Voting and Insta Poll at the AGM, then voting done through remote e-Voting shall prevail and Insta Poll shall be treated as invalid.

B. THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED HEREIN BELOW - APPLICABLE FOR NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE:

a) Launch internet browser by typing the URL https://evoting.kfintech.com.

b) Enter the login credentials (i.e. User ID and password as communicated in the e-mail from KFintech). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-Voting, you can use your existing User ID and password for casting your vote.

c) After entering these details appropriately, click on "LOGIN".

d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one uppercase (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, %, etc.) The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc. on first login. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

e) You need to log-in again with the new credentials.

f) On successful log-in, the system will prompt you to select the "EVENT" i.e. Affle (India) Limited - 6148.

g) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as on September 16, 2021, (i.e. "Cut-off" Date). You may also choose the option "ABSTAIN". If the Member does not indicate "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

h) Voting has to be done for each item of the AGM Notice separately.

i) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.

j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the Resolution(s).

l) For obtaining the User ID and Password for e-Voting, members may refer the instructions below:

(1) If the mobile number of the Member is registered against Folio No. /DP ID Client ID, the Member may send SMS to 9212993399 as per below:

In case of physical shareholders	MYEPWD<space>E-Voting Event Number+Folio No.
In case of shares held in DEMAT form	MYEPWD DP ID Client ID
Example for NSDL	MYEPWD<space>IN12345612345678
Example for CDSL	MYEPWD <space>1402345612345678
Example for Physical	MYEPWD<space>XXXX1234567890

(2) If e-mail address or mobile number of the Member is registered against Folio No. /DP ID Client ID, then on the home page of https:// evoting.kfintech.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password. This is applicable for any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date.

m) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution/ Authorisation shall be sent to the Scrutinizer by e-mail through their registered e-mail address at kiran3116@gmail.com with a copy marked to KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company ('RTA'/'KFintech') at evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Affle (India) Limited - Annual General Meeting."

n) In case of any query and/or grievance, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of https://evoting.kfintech.com or may contact Mr. Umesh Pandey, Manager (Unit: Affle (India) Limited) of KFin Technologies Private Limited, Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India or at einward.ris@kfintech.com and evoting@kfintech.com or call KFintech's Toll free No.: 1-800-3094-001 for any further clarifications.

C. THE INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER FOR INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE:

In terms of the Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 issued by the Securities and Exchange Board of India dated December 9, 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Type of Members	Log-in Method
For Members who hold shares in Demat mode with NSDL	1. User already registered for IDeAS facility: • Go to URL: https://eservices.nsdl.com • Click on the "Beneficial Owner" icon under 'IDeAS' section. • On the new page, enter existing User ID and Password.Post successful authentication, click on "Access to e-Voting" • Click on Company name or e-Voting service provider and you will be re- directed to e-Voting service provider website for casting the vote during the remote e-Voting period.
	2. User not registered for IDeAS e-Services • To register click on link: https:// eservices.nsdl.com (Select "Register Online for IDeAS Portal") or click at https:// eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp • Proceed with completing the required fields.
	3. First Time Users: By visiting the e-Voting website of NSDL: • Go to URL: https://www.evoting.nsdl. com/. • Click on the icon "Login" which is available under 'Shareholder/Member' section. • Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. • Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. • Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

For Members who hold shares in demat mode with CDSL	1. Existing user who have opted for Easi / Easiest • Go to URL: https://web.cdslindia.com/myeasi/home/login OR URL: www.cdslindia.com • Click on New System Myeasi • Login with user id and password. • Option will be made available to reach e-Voting page without any further authentication. • Click on Company name or e-Voting service provider name to cast your vote during the remote e-Voting period.
	2. User not registered for Easi/Easiest • Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Proceed with completing the required fields.
	3. First Time Users: By visiting the e-Voting website of CDSL: • Go to URL: www.cdslindia.com • Click on the icon "E-Voting" • Provide demat account number and PAN number • System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. • After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress. • Click on the Company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Through Depository Participant(s)	• You can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-Voting facility. • Upon login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. • Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through depository i.e. NSDL and CDSL:

Individual shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll free no.: 1800 1020 990 or 1800 22 44 30.
Individual shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at evoting@cdslindia.com or contact at 022 - 23058738 or 022 - 23058542 – 43

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" and "Forgot Password" option available on the above-mentioned website.

INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM (E-AGM) ARE AS UNDER:

a) The Company has appointed KFintech to provide VC facility for the AGM of the Company.

b) A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://cruat04.kfintech.com/emeetings/video/howitworks.aspx

c) Members will be able to attend the e-AGM through VC/OAVM provided by KFintech at https://emeetings.kfintech.com/ by clicking on the tab 'video conference' and using their remote e-Voting login credentials shared through email. The link for e-AGM will be available in the Member's login where the event and the name of the Company can be selected. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.

d) Members who need technical or other assistance before or during the e-AGM can contact RTA by sending email to emeetings@kfintech.com or call at Helpline: 1-800-3094-001 (toll-free).

e) Members are encouraged to join the Meeting through laptops with Google Chrome for better experience. Further, Members will be required to allow camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

f) Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

g) Speaker Registration before e-AGM: Members who wish to register as speakers are requested to visit at https://emeetings.kfintech.com and click on 'Speaker Registration' from 9:00 A.M. (IST), Monday, September 20, 2021 to Wednesday, September 22, 2021 at 5:00 P.M. (IST), by mentioning the demat account number/folio number, city, e-mail ID & mobile number and submit the same. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the e-AGM. Members holding shares as on the Cut-off Date, may also visit https://emeetings.kfintech.com and click on the tab "Post Your Queries" and post their queries/views/ questions in the window provided from Monday, September 20, 2021 to Wednesday, September 22, 2021 at 5:00 P.M. (IST). Please note that questions of only those Members will be entertained/considered who are holding shares of Company as on the Cut- off Date i.e., September 16, 2021. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM and the maximum time per speaker will be restricted to 3 minutes.

h) Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session & dispense with the speaker registration during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

i) Facility of joining the AGM through VC / OAVM shall be open fifteen (15) minutes before the time scheduled for the AGM and will be available for Members on first come first served basis and the Company may close the window for joining the VC/OAVM Facility fifteen (15) minutes after the scheduled time to start the AGM.

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION- "INSTA POLL":

a) Members / shareholders, attending the AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-Voting system available during the AGM. Members who have voted through Remote e-Voting will be eligible to attend the AGM, however, they shall not be allowed to cast their vote again during the AGM.

b) The e-Voting window shall be activated upon instructions of the Chairman during the AGM. The Chairman shall formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in this Notice of the AGM and shall also announce the start of the casting of the vote at AGM through the e-Voting platform of our RTA - KFintech and thereafter the e-Voting at AGM shall commence. Upon the declaration by the Chairman about the commencement of e-Voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.

c) Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

d) The facility of Instapoll will be available during the time not exceeding 15 minutes from the commencement of e-Voting as declared by the Chairman at AGM and can be used for voting only by those Members who hold shares as on the Cut-off Date viz. September 16, 2021, and who are attending the meeting and who have not already cast their vote(s) through remote e-Voting.

e) The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and provide, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

f) The result declared along with the Scrutinizer's Report shall be placed on the Company's website at www.affle.com and on the website of KFintech at https://evoting.kfintech.com immediately. The Company shall simultaneously forward the results to The National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. Subject to receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM, i.e. September 23, 2021.

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

Item No.3, 4 & 5

Equity based remuneration includes alignment of personal goals of the employees with organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key employees and to create a sense of ownership and participation amongst them, the Board of Directors in its meeting held on August 7, 2021, approved Affle (India) Limited Employee Stock Option Scheme – 2021 ("Scheme") to or for the benefit of such employee(s) who are in permanent employment whether working in India or out of India, and to the Directors whether a Whole Time Director or not but excluding Independent Director and Non–Executive Director, of the Company, its Holding Company and its Subsidiary Company(ies) but excluding an employee who is a Promoter or a person belonging to the Promoter Group; or a Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Equity Shares of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the Scheme under applicable laws and regulations prevailing from time to time ("Eligible Employees").

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations") and Section 62 and other applicable provisions of the Companies Act, 2013, for issue of Equity Shares to the employees of the Company, the approval of the existing Members by way of Special Resolution is required.

Further, as per Regulation 6(3)(c) of SEBI (SBEB) Regulations, approval of the Members by way of separate Special Resolution is also required for grant of options to the employees of Holding Company and Subsidiary Company(ies).

Furthermore, as per Regulation 6(3)(a) of SEBI (SBEB) Regulations, approval of the shareholders by way of separate Special Resolution is also required for secondary acquisition of shares by the Trust for proper implementation of the Scheme.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB) Regulations are as under:

1. **Brief description of the Scheme:**

   The Scheme shall be called as Affle (India) Limited Employee Stock Option Scheme – 2021.

   The Purpose of the Scheme includes the followings:

   a. To motivate the employees to contribute to the growth and profitability of the Company.
   b. To retain the employees and reduce the attrition rate of the Company.
   c. To achieve sustained growth and the creation of shareholder value by aligning the interests of the employees with the long term interests of the Company.
   d. To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and
   e. To provide additional deferred rewards to employees.

2. **Total number of options to be granted under the Scheme:**

   The maximum number of options that may be granted pursuant to this Scheme shall not exceed 750,000 which shall be convertible into equal number of Equity Shares. The number of options of 750,000 may proportionately be increased to 3,750,000 consequent to approval of sub-division of shares of the Company into 5 (Five) Equity Shares having nominal value of Rs. 2/- (Rupees Two Only) each fully paid-up as proposed under Item No. 6 of the Notice.

   Considering the maximum number of stock options that may be granted by way of issue of fresh shares by the Company which is a part of the shares reserved under the Scheme, the dilution of the interest of public shareholders is expected to be 2 % approximately. Shares acquired from secondary market do not impact equity dilution.

   If any option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such option shall be available for further grant under the Scheme unless otherwise determined by the Nomination and Remuneration Committee.

   Further, the maximum number of options that can be granted and the Shares arise upon exercise of these options shall stand adjusted in case of corporate action (as defined in the Scheme).

3. **Identification of classes of employees entitled to participate and be beneficiaries in Scheme:**

   a. A permanent employee of the Company who has been working in India or outside India; or
   b. A Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non-Executive Director; or
   c. An employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company.

   But does not include:

   a. An employee who is a Promoter or a person belonging to the Promoter Group; or
   b. A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.

4. **Requirement of Vesting and period of Vesting:**

   Vesting period shall commence after minimum 1 (One) year from the grant date and it may extend upto maximum of 4 (Four) years from the grant date, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee.

   The vesting schedule will be clearly defined in the grant letter of respective employees. The actual vesting may further be linked with the eligibility criteria, as determined by the Nomination and Remuneration Committee in accordance with the Scheme, the same will be mentioned in the grant letter.

5. **Maximum period within which the options shall be vested:**

The stock options granted under the Scheme shall vest within a maximum period of 4 years from the grant date.

6. **Exercise Price or Pricing Formula:**

The exercise price will be decided by the Nomination and Remuneration Committee on the following:

a. In case the shares acquired by the Trust are from secondary acquisition then the exercise price will be the average purchase price of the shares of the Trust.
b. In case the shares acquired by the Trust are from direct allotment then the exercise price will be market price of the shares.

For the above purpose market price means the latest available closing price on a recognized stock exchange on which the shares of the Company are listed on the date immediately prior to the relevant date i.e. date of the meeting of the Nomination and Remuneration Committee on which the grant is made.

Explanation – If the shares of the Company got listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the market price.

The Nomination and Remuneration Committee has a power to provide suitable discount or charge premium on such price as arrived above. However, in any case the exercise price shall not go below the par value of Share of the Company.

7. **Exercise period and process of Exercise:**

The exercise period shall be 1 year from the date of last vesting.

The options can be exercised in either of the following routes:

a. Cash Route: In this route, the grantee will receive the shares equivalent to the number of the options exercised in accordance with the terms and conditions of the Scheme and as mentioned in grant letter after the grantee has made the payment of the Exercise Price and applicable income tax.
b. Cashless Route: In this case, the grantee will receive the sale proceeds of the shares equivalent to the number of the options in accordance with the terms and conditions of the Scheme after deduction of the Exercise Price, applicable Income Tax and other charges, if any.

The mode and manner of the exercise shall be communicated to the employees individually. The Equity Shares arising out of exercise of vested options would not be subject to any lock-in period after such exercise.

8. **Appraisal process for determining the eligibility of the employees to Scheme:**

The Nomination and Remuneration Committee may on the basis of all or any of the following criteria, decide on the employees / grantees who are eligible for the grant / vesting of options under the Scheme and the terms and conditions thereof.

- Loyalty: It will be determined on the basis of tenure of employment of an employee / grantee in the Company.
- Performance of employee / grantee: employee's/grantee's performance during the financial year on the basis of the parameters decided by the Board of Directors.
- Performance of Company: Performance of the Company as per the standards set by the Board of Directors.
- Any other criteria as decided by the Nomination and Remuneration Committee in consultation with Board of Directors from time to time.

9. **The Maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that can be granted to any eligible employee during any one year shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant. The Committee may decide to grant such number of options equal to or exceeding 1% of the issued capital to any eligible employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

10. **The Maximum quantum of benefits to be provided per employee under the Scheme:**

The maximum quantum of benefits that will be provided to every eligible employee under the Scheme will be the difference between the market value of Company's Share on the Stock Exchanges as on the date of exercise of options and the Exercise Price paid by the employee.

11. **Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:**

The Company proposes to implement the Scheme through Trust Route wherein the Trust shall acquire the Shares by:

1. Direct allotment from the Company and/or
2. From secondary acquisition from the market

The Shares so acquired by the Trust will either be:

1. Transferred to the grantees as and when the options are exercised and/or
2. Will be sold by the Trust and the sale proceeds after adjustment of Exercise Price, applicable income tax amounts and other amounts, if any will be transferred to the grantees in accordance with the terms and conditions of the Scheme.

The Scheme shall be administered by the Nomination and Remuneration Committee which shall delegate some or all of its power to the Trust or any other Committee or Persons for proper administration of the Scheme

12. **Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the Trust or both:**

The Scheme is proposed to be administered through Trust. However, in the case of primary issue, the Scheme may be implemented and administered directly by the Company, if and as may be permitted under the SEBI Regulations. The Trust may acquire Equity Shares of the Company from the secondary market as well. The Equity Shares acquired by the Trust from the allotment and/or the secondary market shall be transferred to the employees on exercise of stock options.

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

The amount of loan to be provided for implementation of the Scheme by the Company to the Trust shall not exceed 5% of the paid-up equity capital and free reserves as provided in Companies Act, 2013. The tenure of such loan shall be the point where the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier. The utilization of such loan shall be for the objects of the Trust as mentioned in the Trust Deed. The Trust shall repay the loan to the Company by utilising the proceeds realised from exercise of options by the employees and the accruals of the Trust at the time of termination of the Scheme.

14. **The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

The total number of Shares under secondary acquisition held by the Trust shall at no time exceed 5 (Five) percent of paid-up equity capital as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such secondary acquisition.

Further, the secondary acquisition in a financial year by the Trust shall not exceed 2 (Two) percent of the paid-up equity capital as at the end of the previous financial year.

15. **Disclosure and accounting policies:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations or as may be prescribed by regulatory authorities from time to time.

16. **The method which the Company shall use to value its options:**

The Company shall comply with the requirements of IND-AS and shall use fair value method.

17. **Statement with regard to Disclosure in Director's Report:**

As the Company is adopting fair value method, presently there is no requirement for disclosure in Director's Report. However, if in future, the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' Report.

18. **Disclosures as per Rule 16 of the Chapter IV of the Companies Act, 2013, are as under:**

1.	**The class of employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares.**	The class of employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares is as follow: • A permanent employee of the Company who has been working in India or outside India; or • A Director of the Company, whether a Whole Time Director or not but excluding an Independent Director and Non-Executive Director; or • An employee as defined in clause (a) or (b) of a Subsidiary, in India or outside India, or of a Holding Company of the Company. But does not include: • An employee who is a Promoter or a person belonging to the Promoter Group; or • A Director who either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.
2.	**Name, Address, Occupation and Nationality of Trustees**	Name: Axis Trustee Services Limited Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028 Occupation: Business Nationality: Indian
3.	**Particulars of Trust**	**Name of the Trust:** Affle (India) Limited Employees Welfare Trust **Address of the Trust:** The Principal/Registered Office of the Trust will be located at The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028
4.	**Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.**	None
5.	**Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.**	The Key Managerial personnel and Directors are interested in the Affle (India) Limited Employee Stock Option Scheme – 2021 only to the extent the options that may be granted to them, if any, under the Scheme
6.	**The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme**	• To motivate the employees to contribute to the growth and profitability of the Company. • To retain the employees and reduce the attrition rate of the Company. • To achieve sustained growth and the creation of Shareholder value by aligning the interests of the employees with the long term interests of the Company. • To create a sense of ownership and participation amongst the employees to share the value they create for the Company in the years to come, and • To provide additional deferred rewards to employees.
7.	**The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the Scheme would be exercised**	The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Shares to the employees. However, the Trustees will not have any right to vote on the Equity Shares held by the Trust. Once the shares are transferred to the employees upon their Exercise, then the employees will be treated as the Shareholder of the Company and shall exercise the right to vote in respect of such shares.

The Board of Directors of the Company recommends the Resolutions to be passed as Special Resolutions as set out at Item No. 3, 4 and 5 for approval of the Members.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the options those may be granted under the said Scheme.

Item No. 6

Equity shares of the Company are listed and are being traded on BSE Limited and National Stock Exchange of India Limited. In order to improve the liquidity of the Company's share and to make it more affordable for small investors as also to broad base the small investors, the Board of Directors of the Company, in its meeting held on August 26, 2021 has recommended to sub-divide (split) the nominal value of each Equity Share having a present face value of Rs. 10/- (Rupees Ten Only) each into 5 (Five) Equity Shares of Rs. 2/- (Rupees Two Only) each, subject to the approval of the Members.

Upon approval of the shareholders for sub-division of Equity Shares, in case the Equity Shares are held in physical form, the old share certificate(s) of face value of Rs. 10/- each will stand cancelled on the record date and the new share certificate(s) of nominal value of Rs. 2/- each, fully paid-up, will be dispatched to the shareholders. In case the Equity Shares are in dematerialized form, the sub-divided Equity Shares will be directly credited to the shareholder's demat account on the record date in lieu of their existing Equity Shares.

The Board of Directors of the Company recommends the Resolution to be passed as Special Resolution as set out at Item No. 6 for approval of the Members.

None of the Promoters, Directors, Key Managerial Persons and their Relatives or the entities in which the Promoters, Directors or Key Managerial Persons are interested, are concerned or interested, financially or otherwise, in the above resolution.

Item No. 7

The proposed sub-division of the 1 (One) Equity Shares of Rs. 10/- (Rupees Ten only) each into 5 (Five) Equity Shares of Rs. 2/- (Rupees Two Only) each requires amendment in capital clause of Memorandum of Association of the Company.

Accordingly, Clause V of the Memorandum of Association is proposed to be amended as set out the Resolution of the accompanying Notice reflecting the corresponding changes in the Authorized Share Capital of the Company, consequent to the proposed sub-division from Rs. 300,000,000/- (Rupees Three Hundred Million Only i.e Rupees Thirty Crores Only) divided into 3,00,00,000 Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 300,000,000/- (Rupees Three Hundred Million Only i.e. Rupees Thirty Crores Only) divided into 150,000,000 Equity Shares of Rs. 2/- (Rupees Two Only) each.

The Board of Directors of the Company recommends the Resolution to be passed as Special Resolution as set out at Item No. 7 for approval of the Members.

None of the Promoters, Directors, Key Managerial Persons and their Relatives or the entities in which the Promoters, Directors or Key Managerial Persons are interested, are concerned or interested, financially or otherwise, in the above resolution.

Item No. 8

The present Registered Office of the Company is situated in Mumbai in the State of Maharashtra. Your Directors propose to shift the Registered Office of the Company from Mumbai to National Capital Territory of Delhi. This would help the Company improve co-ordination and communication for ease of management, as our Corporate office is also based out of Gurugram and the finance & administrative functions of the Company are centrally carried from the Gurugram office.

The proposed change of Registered Office of the Company requires the approval of the members in the general meeting.

After obtaining member's approval, a petition will be submitted to the Regional Director, Western Region, for confirmation under Section 13(4) of the Companies Act, 2013 read with Rule 30 of Companies (Incorporation) Rules, 2021 for shifting of Registered Office of the Company from Mumbai in the State of Maharashtra to National Capital Territory of Delhi.

The Board of Directors of the Company recommends the Resolution to be passed as Special Resolution as set out at Item No. 8 for approval of the Members.

None of the Promoters, Directors, Key Managerial Persons and their Relatives or the entities in which the Promoters, Directors or Key Managerial Persons are interested, are concerned or interested, financially or otherwise, in the above resolution.

Item No. 9

It is proposed to amend the existing Articles of Association (hereinafter referred to as 'the Articles') of the Company to align them with the amendments brought out vide The Companies (Amendment) Act, 2015 no. 21 of 2015 dated May 25, 2015 in the Companies Act, 2013 read with the Rules framed thereunder about the requirement of Common Seal. Pursuant to these Amendments, requirement of Common Seal has become optional for the Companies.

Accordingly, the clauses of the Articles of Association as mentioned in the Resolution are proposed for amendment.

These amendments are procedural in nature and for smooth working of activities.

The Board of Directors of the Company recommends the Resolution to be passed as Special Resolution as set out at Item No. 9 for approval of the Members.

None of the Promoters, Directors, Key Managerial Persons and their Relatives or the entities in which the Promoters, Directors or Key Managerial Persons are interested, are concerned or interested, financially or otherwise, in the above resolution.

By Order of the Board of Directors
For Affle (India) Limited

Parmita Choudhury
Company Secretary & Compliance Officer
Membership No. A26261

Place: Gurugram
Date: August 26, 2021

ANNEXURE A

Details of the Directors seeking appointment/re-appointment in the Annual General Meeting
[Pursuant to Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of the Director	**Ms. Mei Theng Leong**
Type of Directorship	Non-Executive Director
DIN	08163996
Date of Birth	16/08/1976
Age	45
Date of First appointment on the Board	01/06/2018
Relationship with Director/ Manager/KMP	None
Expertise in Specific Functional Area, Qualification and Brief Profile	Ms. Mei Theng Leong holds a degree of Bachelor of Commerce, majoring in accounting and finance from Curtin University of Technology and a Master of Business Administration from The University of Hong Kong. She has been awarded a fellow membership of CPA Australia and entitled to use the designation of FCPA. She has over 19 years of experience in accounting and finances and has in the past held positions in IHM Sdn. Bhd. and Pioneer Corporate Services Pte. Ltd. and has held position of Group Financial Controller in Europtronic Group Ltd.
Board Membership of Other Companies as on March 31, 2021	1. Affle International Pte. Ltd. 2. Affle Global Pte. Ltd. 3. FESS Old New Pte. Ltd. 4. Anuj Khanna Investments Pte. Ltd.
Chairman/Member of the Committee of Board of Directors as on March 31, 2021	**Affle (India) Limited** 1. Corporate Social Responsibility Committee - Member 2. Investment Committee - International Investments -Member 3. Audit Committee - Member 4. Stakeholders Relationship Committee -Chairperson 5. Business Responsibility Reporting Committee - Member 6. Fund Raising Committee – Member 7. Nomination & Remuneration Committee – Member 8. Risk Management Committee - Member
No. of shares held in the Company as on March 31, 2021	Nil
Terms & Conditions of appointment	Ms. Mei Theng is a Non-Executive Director of the Company liable to retire by rotation.
Remuneration last drawn FY2020-21	Not applicable
Proposed remuneration	Not applicable
No. of Board meetings attended during the FY2020-21	9

INFORMATION AT A GLANCE

Particulars	Details
Date & Time of Annual General Meeting (AGM)	Thursday, September 23, 2021 at 10:00 A.M.(IST)
Mode	Video Conferencing (VC) and Other Audio-Visual Means (OAVM)
Participation through VC/ OAVM	https://emeetings.kfintech.com
Helpline number for VC/ OAVM participation	1-800-3094-001
Cut-off date for determining eligibility to vote at the AGM	Thursday, September 16, 2021
Commencement of remote e-voting	Monday, September 20, 2021 (09:00 A.M IST)
End of remote e-voting	Wednesday, September 22, 2021 (05:00 P.M. IST)
Commencement of registration of shareholder as Speaker in AGM	Monday, September 20, 2021 (09:00 A.M IST)
End of registration of shareholder as Speaker in AGM	Wednesday, September 22, 2021 (05:00 P.M. IST)
Remote e-voting website	https://evoting.kfintech.com
Name, address and contact details of e-voting service provide	Mr. Umesh Pandey KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032 Email: einward.ris@kfintech.com Toll free no. 1-800-3094-001
Name, address and contact details of Registrar and Share Transfer Agent	Mr. Umesh Pandey KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032 Email: einward.ris@kfintech.com Toll free no. 1-800-3094-001

NOTES

APPENDIX

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