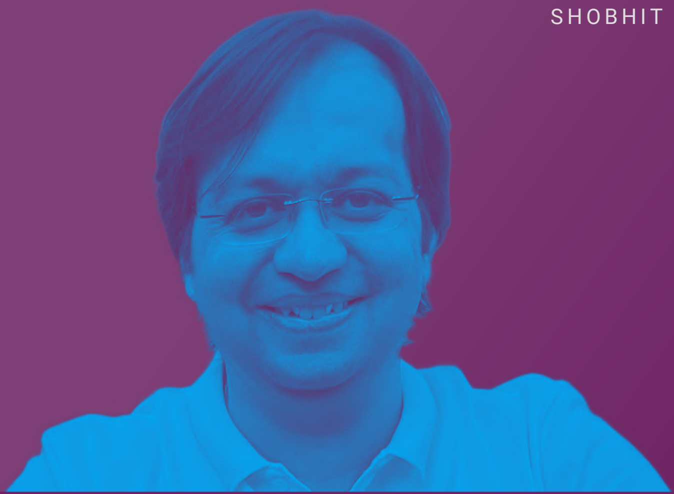
InfoBeans

CREATING WOW!

JONY LALWANI

SHOBHIT SETHI



AAKRITI CHATURVEDI

LOKESH SHARMA

# BEING PEOPLE FIRST

*the WOW successes stories...*

ANNUAL REPORT 2021-22

# BEING PEOPLE FIRST

Ours has been a journey of learning and evolution. We have jumped over hurdles and pushed ourselves, against all odds, towards our goals and kept our people first. That is how we have been able to fulfil clients' business aspirations and solve their complex business problems using cutting-edge technology.

We celebrated our wins, learned from our failures and have gained momentum slowly and gradually. Today, clients world over trust us to provide them with reliable and high-quality solutions.

Now it is time for us to build on this momentum that we have created.

- Seek right talent
- Grow organically
- Acquire judiciously
- Explore new avenues
- Innovate solutions

This is how we are preparing to leverage the sea of opportunities offered by the surge in global IT demand.

We will continue to be extraordinary.
We will continue to be our own competition.

We will continue to create WOW!

*InfoBeans and its thought leadership are well-known for their great work culture and the way they respect talent. Thank you, Siddharth Sethi, Mitesh Bohra and Avinash Sethi for giving me the opportunity to be a part of the InfoBeans family.*

*I feel privileged to be a member of this clan.*

**LOKESH SHARMA**
Creating WOW since 2012

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### Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# ABOUT INFOBEANS

InfoBeans, founded in 2000 and now 1,600+ strong, is a publicly listed Digital Transformation and Product Engineering organisation.

We continuously strive to deliver exceptional value for our clients using cutting-edge technology in software design and engineering while solving the most complex business problems and fulfilling our clients' most ambitious business aspirations.

Strengthened by our partnership with Salesforce, ServiceNow, Microsoft, UiPath and Automattic, our services enable corporations to digitally transform their businesses and gain competitive advantage.

## Creating WOW!

It is not just a tagline for us, it's our religion!

## AIM

### Our aim is to create WOW!

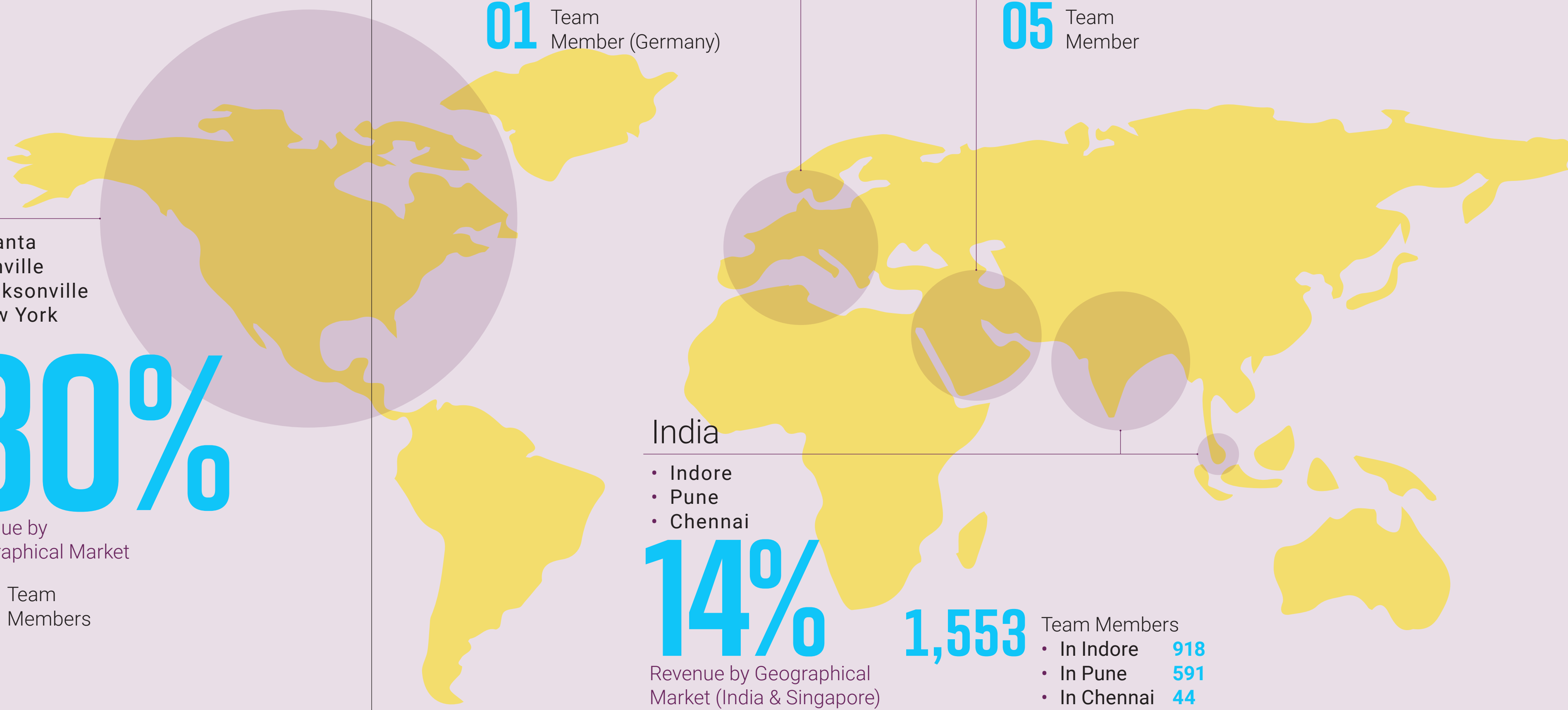
It is what pushes us to test our limits every day.

Our aim is to consistently deliver an all-round experience that elicits a WOW! in whatever we do. Whether it is creating the best technology solution for our clients or interacting with our community or, recognizing our team, our aim is to evoke a feeling that something extraordinary has been accomplished. As an emotion, WOW! is hard to define. A WOW feeling is very individualistic. It's instantaneous. It varies from person to person, situation to situation. And we understand that. We anticipate. We stay one step ahead of our clients' needs. We try to wear our clients' hats to think like them.





## Global Presence



### US

- Atlanta
- Danville
- Jacksonville
- New York

**80%** Revenue by Geographical Market

**45** Team Members

### Europe

- Frankfurt

**03%** Revenue by Geographical Market

**01** Team Member (Germany)

### Middle East

- Dubai

**03%** Revenue by Geographical Market

**05** Team Member

### India

- Indore
- Pune
- Chennai

**14%** Revenue by Geographical Market (India & Singapore)

**1,553** Team Members

- In Indore 918
- In Pune 591
- In Chennai 44

## InfoBeans in numbers

| | | |
|---|---|---|
| **22+** Years Experience | **10+** Fortune 500 clients | **06+** Unicorn clients |
| **80+** Active Clientele | **1,600+** Committed team members | **42%** Revenue CAGR since inception |

# OUR FOUNDING PILLARS

For any organisation to be successful, the foundation must be strong. At InfoBeans, adherence to excellence, sense of ownership, culture of compassion and openness have been the pillars on which we have built our business.

## Excellence

Excellence is the reason for our existence. Excellence reflects in everything we do. It reflects how we have designed our offices, our policies, the way we handle client engagement, training programmes, and even our cultural programmes. The underlying belief is that we seek perfection in every aspect of what we do. Excellence at InfoBeans will not only be on paper but in practice. We empower our teams to achieve and sustain outstanding levels of performance that meet or exceed the expectations of all our stakeholders.

This focus on excellence ultimately helps the Company achieve its goals by honing the talent of our people and helping them realise both their organisational and personal goals.

To conclude, we strive to create WOW in everything we do!

## Ownership

In our opinion, ownership is the foundation of trust, be it an individual or an organisation. Accountability creates responsibility, and every team member at InfoBeans functions as a highly accountable individual, whether they are working as a team or as a sole contributor.

One of the ways in which we, as an organisation, walk the talk is by motivating our team members to become partners in the business under the InfoBeans Partner Program (ESOP). This way, our team 'owns' a part of the Company and hence yield a direct involvement in its affairs. We believe that this motivates team members to take initiatives that are in the Company's best interest as compared to looking out only in their personal interest. This encourages our team to take initiative where they may otherwise not, and this of course is very close to what taking ownership is all about.

In the last five years, InfoBeans has granted a total of 3,85,970 stock options to 133 members. The ESOP plan is approved to offer up to 600,000 options in total.





**133**

ESOPs granted to 133 team members

*InfoBeans has been more than a family for me and has provided me umpteen opportunities to grow, try new things, and nurture relationships.*

*Thanks, InfoBeans for everything. Truly a WOW moment for me.*

**AVINASH JAIN**
Creating WOW since 2018

## Compassion

Creating a culture of compassion in the workplace is where many successful companies are placing their attention today, and InfoBeans has focused on this aspect since the time we started.

The essence of compassion is to put oneself in the other persons' shoes and a genuine willingness to understand and help them. It involves beginning to have a totally different perspective when it comes to showing kindness, caring and willingness to help others. We believe that when we treat others compassionately, we build a sense of belongingness and feel being valued. This creates a happy and fulfilling workplace which we call Second Home, where each team member wants to come back every morning. With this, bonds are formed, trust is established, and a willingness to collaborate on projects and shared visions becomes the driving force behind our intentions.

## Openness

Openness is the fourth founding pillar of InfoBeans. Here, the intention is to create an environment where communication is transparent, where there is a free exchange of ideas, where there are no walls that decide who can communicate with whom and where feedback can be exchanged freely to build trust within the people of the organisation.

We have built practices soliciting high involvement of leaders and team members in bringing positive change, encouraging a culture of open discussions and decision-making. We ensure open forums to provide feedback for organisational policies and procedures so that they are applied fairly and equitably across the organisation.

# OUR TRANSFORMATION OVER THE YEARS

From a home office to having a global presence today, our journey exemplifies perseverance and determination.

OUR TRANSFORMATION

## 1997
- The seed of an idea was sown by Avinash, Mitesh, and Siddharth

## 1998
- The three of them went to the US to pursue their respective careers, and a trip to Florida watered that seed

## 1999
- ApkaIndore.com, an e-commerce venture was born in Indore from Mitesh's house

## 2000
- InfoBeans was born, with Avinash's house in Indore serving as the office
- Same year set up a proper office in a commercial space

## 2001
- Developed the first mobile WAP-based application – mobile.aapkaindore.com
- InfoBeans Ltd., UK was established

## 2002
- We moved to a bigger office space
- We signed our first Fortune 100 client

## 2003
- Our office space expanded and so did our team

## 2004
- We executed some major projects and started education services division to nurture local talent and create programmers in upcoming technologies & started pune office

## 2005
- Our client portfolio increased , two fortune 500 clients

## 2006
- Our team size expanded to reach 100 members
- We opened our US office in April

## 2009
- SEZ Pune office

## 2012
- For the first time won 'CMMI Level 3' accreditation

## 2014
- Moved to Crystal IT Park (Indore)

## 2015
- For the first time won 'Great Place to Work' award

## 2016
- Opened in UAE & Germany

## 2017
- Successfully completion of the IPO and listing on NSE Emerge

## 2018
- Fortune 500 clients in each market

## 2019
- Migrated to NSE Main Board from NSE Emerge
- Completed its maiden acquisition by acquiring Philosophie Group, Inc.

## 2021
- ***First BuyBack and acquisition of Eternus Solutions Pvt Ltd, a Salesforce Platinum Consulting Partner***

We continue to inspire ourselves to innovate, evolve, and make a positive difference in people's lives.

# WHAT WE DO

## Digital Transformation

We help organisations understand every aspect of the complex, yet continuous process of digital transformation. Our suite of digital services helps organisations, regardless of their size, deal with every challenge that they might encounter during the transformation process – right from heightened customer expectations to rising competition.


### WHAT WE OFFER

- Cloud
- UX
- Application modernisation
- Packaged implementation
- Enterprise mobility

### BENEFITS

- More profitable business models
- Platform-agnostic digital solutions
- More efficient operating processes
- Greater access to markets
- Enhanced offerings to users
- New sources of revenue
- End-to-end execution of digital transformation – from leadership-level strategy to on-the-ground team implementation

## Product Engineering

We leverage our expertise, operating models and technology required to design, architect, develop and manage our clients' product lifecycle through efficient delivery, faster time to market, innovation and differentiation in competitive markets.


### WHAT WE OFFER

- Robotic Process Automation (RPA)
- Salesforce
- ServiceNow
- Continuous Integration and Continuous Delivery (CICD) and Agile Testing Framework (ATF)
- Content Management System (CMS)
- Automation
- Data transformation

### WHY ARE WE DIFFERENT

- Proactive approach for automation-driven development
- Proven engineering frameworks and development methodology
- Flexible engagement and mature process models
- Rapid go-to-market
- Flow total cost of development
- Use of best technologies and accelerators
- Uninterrupted delivery
- Digital marketing services





We operate primarily in the two areas of Digital Transformation and Product Engineering.

### WHY ARE WE DIFFERENT

- Full-stack development
- Uninterrupted delivery
- High availability
- Agile development approach
- Flexible engagement options
- Centres of Excellence (CoE) delivery model
- 21+ years of experience

### AREAS COVERED UNDER DIGITAL TRANSFORMATION

- Discovery – Digitisation to legacy applications and dependencies
- Data transformation
- Design transformation
- Implementation
- Automation
- Managed services

### OUR APPROACH TO PRODUCT ENGINEERING

**Product ideation**

- Gap analysis
- Proof of concept
- Custom architecture development
- Digital marketing services

**Product design and development**

- Prototyping
- End-to-end product development
- Usability engineering
- Multilingual support
- Digital marketing services

**Product testing**

- Planning test strategy
- Test automation

**Product deployment and sustenance**

- Onsite testing and deployment
- Feature enhancement
- Integration, porting and migration

# HOW WE DELIVER SOLUTIONS



We believe that for our clients to trust us and keep coming back for more, it is crucial to continue offering our services to them, even after we deliver the product or solution. Therefore, we follow the Design-Build-Sustain model to deliver our solutions.


## Design

The first step after ideation is design. Our expertise in design and technology, coupled with our deep knowhow of the industry, allow us to create just the right kind of digital product or platform for our clients.

### WHAT WE OFFER

- Innovation consulting
- Roadmap strategy and adoption planning
- Experience-driven design
- User experience framework
- Usability and accessibility testing
- Rapid prototyping
- Technology performance evaluation

### WHY ARE WE DIFFERENT?

- We follow a human-centred, experience-driven and iterative approach to deliver digital experiences that are meaningful and intuitive
- We help customers strategise and accelerate their digital transformation journey and provide an intuitive, frictionless experience
- We offer a complete range of design solutions, from new product development to suggesting improvements, enhancing customer experience, and developing entirely new business models
- Through our design solutions, our prime focus is to increase our customers' revenue, reduce cost and offer unmatchable customer experience
- Our solutions are scalable, fast and aim to reduce waste such as unnecessary processes
- Our digitally native designers create uniquely beautiful and functional work grounded in result-oriented best practices


## Build

The next step is to build a software or web and mobile application right from conceptualization and code to development and deployment.

### WHAT WE OFFER

- Digital Transformation solutions
- Product Engineering solutions


## Sustain

Our work doesn't end here. Once we deliver the solution to the client, we continue offering excellent customer experience and updating products to meet market demands in the long run.

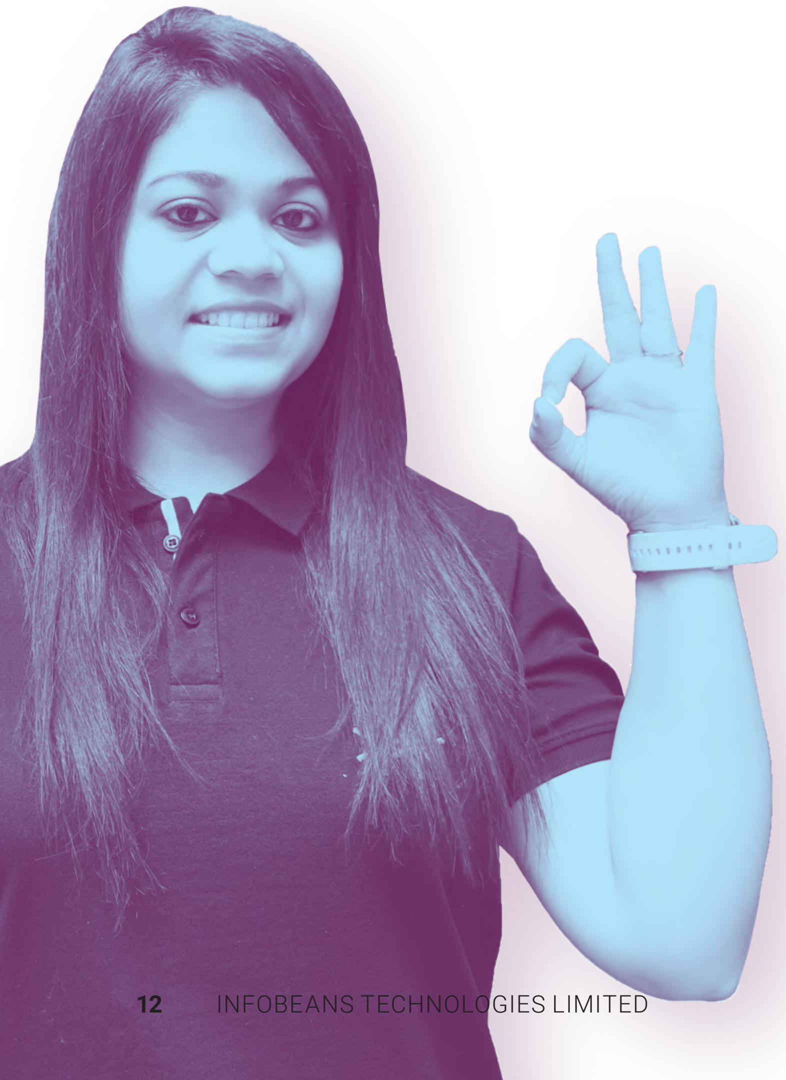
### WHAT WE OFFER

- Product adaptation and enhancement
- Technology change management
- SLA-based managed services
- Integration testing and regulatory compliance
- Performance management and monitoring
- End-of-life platform support
- Industry disruption planning and future-readiness

# DELIVERING SUSTAINABLE & PROFITABLE GROWTH

*Indeed, a WOW moment for me that I will cherish forever. Saying "thank you" is not enough, for me to express how grateful I am for being part of InfoBeans - truly a people centric company.*

**AAKRITI CHATURVEDI**
Creating WOW since 2019



## FY22 Financial Highlights
CONSOLIDATED

**REVENUE FROM OPERATIONS**
(INR Crores)
**271**

**TOTAL INCOME**
(INR Crores)
**289**

**OPERATING MARGIN**
**29%**
Up from **28%**

**PROFIT MARGIN**
**19%**
Up from **18.8%**

**REVENUE GROWTH**
**50%**
By capitalising high demand

**TOTAL INCOME GROWTH**
**47%**
Including Other Income

**CASH RESERVES**
(INR Crores)
**128**
For potential inorganic growth transactions

**EQUITY**
(INR Crores)
**230**
Up from
**₹ 181 Crores**

**EARNINGS PER SHARE**
(INR)
**22.83**
Up **50%**

**MARKET CAPITALIZATION**
(INR Crores)
**1,755**
As of
31st March 2022





## Key Performance Indicators

### Revenue from Operations
(INR Crores)
**271**

| | |
|---|---|
| FY22 | 271 |
| FY21 | 180 |
| FY20 | 156 |
| FY19 | 115 |
| FY18 | 95 |

20% 5Y CAGR
50% Y-o-Y Growth

### Total Income
(INR Crores)
**289**

| | |
|---|---|
| FY22 | 289 |
| FY21 | 196 |
| FY20 | 165 |
| FY19 | 120 |
| FY18 | 97 |

21% 5Y CAGR
47% Y-o-Y Growth

### EBITDA
(INR Crores)
**85**

| | |
|---|---|
| FY22 | 85 |
| FY21 | 54 |
| FY20 | 36 |
| FY19 | 25 |
| FY18 | 21 |

25% 5Y CAGR
55% Y-o-Y Growth

### EBITDA Margins
(%)
**29%**

| | |
|---|---|
| FY22 | 29 |
| FY21 | 28 |
| FY20 | 22 |
| FY19 | 21 |
| FY18 | 22 |

### Profit After Taxes
(INR Crores)
**55**

| | |
|---|---|
| FY22 | 55 |
| FY21 | 37 |
| FY20 | 21 |
| FY19 | 19 |
| FY18 | 17 |

23% 5Y CAGR
50% Y-o-Y Growth

### Profit After Taxes Margins
(%)
**19%**

| | |
|---|---|
| FY22 | 19 |
| FY21 | 19 |
| FY20 | 13 |
| FY19 | 16 |
| FY18 | 17 |

### Net Worth (Shareholders Fund)
(INR Crores)
**232**

| | |
|---|---|
| FY22 | 232 |
| FY21 | 181 |
| FY20 | 144 |
| FY19 | 126 |
| FY18 | 106 |

34% 5Y CAGR
28% Y-o-Y Growth

### Return on Capital Employed
(%)
**22%**

| | |
|---|---|
| FY22 | 22 |
| FY21 | 17 |
| FY20 | 15 |
| FY19 | 17 |
| FY18 | 18 |

### Return on Equity
(%)
**24%**

| | |
|---|---|
| FY22 | 24 |
| FY21 | 21 |
| FY20 | 15 |
| FY19 | 15 |
| FY18 | 16 |

# OUR GROWTH DRIVERS

We aspire to continue to build on the momentum we have created and grow our business 2X every three years.

Our broad strategy is to generate capital from organic growth that can be deployed primarily to fund inorganic growth transactions, thus creating a continuous cycle.

To achieve our ambition of accelerated growth – both organic and inorganic – we have charted several strategies, which will act as stepping stones towards our larger focus of capital generation.


*"The workplace and the culture is what makes InfoBeans - Our extended family, as my family, but this degree of appreciation is next level! #theWOWsquad"*

**JONY LALWANI**
Creating WOW since 2016





## Organic Growth Strategies

### EXPANSION OF OUR EXISTING CLIENTELE

- Expand into more strategic business units (SBUs) and geographies in our existing accounts
- Cross-sell and up-sell (cross-selling services between Philosophie, Eternus Solutions and InfoBeans' clientele will allow us to leverage the synergies of both companies since they have different yet complementary set of services)
- Partner with existing clients as they more towards advanced technologies
- Up-skill, add newer competencies to our set of services to serve the emerging needs of our clients

01

### CLIENT TARGETING

- Add more clients in the industry verticals where we already have strong presence and expertise – storage and virtualisation, e-commerce, publishing and media, and SaaS products

02

### ONBOARDING NEW CLIENTS

- Formalised sales operations – offshore lead generation, onsite field sales and offshore sales support
- Expanding into newer geographies such as Germany and the Middle East
- Entry via highly skilled professionals for onsite consulting
- Referrals from existing clientele

03

### DEDICATED US SALES TEAM

- The US sales team currently comprises account manager and sales engineer; the team is being expanded by competencies
- Each team is being expanded per territory (East, West and Central)

04

## Inorganic Growth Strategies

- Actively evaluating firms to acquire – to increase footprint in the US and secure skills in new areas such as ServiceNow, Salesforce, UX and Automation
- Add niche skills that take longer to build and acquire intellectual property
- Add to revenue in short term and long term by cross-selling and up-selling
- Add to offshore capabilities

# WHAT OUR CLIENTS SAY ABOUT US

Earning client satisfaction by exceeding their expectations is crucial for us, especially since we operate in a very competitive sector.

Every client is important to us – right from a passionate start-up to a Fortune 500 company. So, we do not think twice before going the extra mile to deliver experiences par excellence.

Our efforts have won us appreciation from many of our clients. We feel proud to know that our clients echo our expression of commitment, capability, and most importantly, trust.

**Melhem El-Achkar**
CHIEF TECHNOLOGY OFFICER (EXCCON AG)

*Professional, Flexible and Motivated Team*

A successful project always requires the best team. Together with InfoBeans we at exccon have already been able to work on various projects with a highly professional, flexible and motivated team who delivers first-class results in complex environments. InfoBeans is our first choice for supporting ServiceNow projects.

**Dan Spiteri**
GLOBAL DELIVERY DIRECTOR (IQVIA)

*They mean it*

Our experience with InfoBeans over the past several years has been very positive – when they say they will provide WOW experience, they mean it. They are patient, excellent in communication, organised and dedicated. We look forward to future collaboration with InfoBeans.

**Brian McLaughlin**
VICE PRESIDENT – I.T. INTERNATIONAL CODE COUNCIL

*Dedicated and committed partner*

InfoBeans continues to be a dedicated and committed partner. Their understanding of our business and their expertise in web and mobile development help us to achieve our results on time and budget. Communication with InfoBeans has always been open and transparent, resulting in a lot of trust in the relationship. It has been a pleasure to work with InfoBeans and I look forward to partnering with them to deliver on our shared future commitments.

**Cait Campos**
PRODUCT MANAGER, META EARLIER FACEBOOK

*Problem Solving Mindset*

I really like the ethos and culture of InfoBeans. The team has a strong work ethic, and problem solving mindset.

**Dan Spiteri**
GLOBAL DELIVERY DIRECTOR (IQVIA)

*They mean it*

Our experience with InfoBeans over the past several years has been very positive – when they say they will provide WOW experience, they mean it. They are patient, excellent in communication, organised and dedicated. We look forward to future collaboration with InfoBeans.

## Esteemed Clientele

| ALM | IQVIA | CoAdvantage | UNDER NDA | ViaTech | UNDER NDA | Meta | InMobi | OLA |
|---|---|---|---|---|---|---|---|---|
| 172 year old brand, legal content publisher in all states of US | Only Company in world offering tech solutions for life sciences healthcare compliance | Full range of SaaS based integrated Human Resources solutions | World's most valuable Edtech startup | Solutions for content creation, publishing & management | Fortune 500, cloud data services and data storage company | FCL Tech Inc. a Meta (earlier Facebook) subsidiary that develops aerospace & communication technologie | World's leading mobile advertising technology company | Indian multinational ridesharing company |

# WHAT OUR PEOPLE SAY ABOUT US

*InfoBeans is truly a role model for gender inclusivity at the workplace. I am very grateful to receive such an appreciation, it is one of those days in my professional career which I can never forget.*

*Thank you InfoBeans for this wonderful gesture. I will cherish this forever.*

**BHAKTI GAIKWAD**
Creating WOW since 2015

*Thank you InfoBeans for creating a WOW moment for me and my family. I am falling short of words to express my gratitude for my family, friends, and the team who stood by me on this journey.*

*Thanks to the InfoBeans leadership for building a strong work culture that exudes Excellence, compassion, and ownership.*

**MAYANK SALUNKE**
Creating WOW since 2015

*Thank you InfoBeans for the big surprise and such a wonderful appreciation.*

*Also, Thanks to all the great minds for their help and support which help me to become a part of #theWOWsquad. Proud to be IBian.*

*Thank you once again for the unforgettable memory.*

**VISHWAS UPADHYAY**
Creating WOW since 2010





*Thanks to my fellow team members for always being there and making my journey at InfoBeans wonderful.*

**ABHINAV DAVE**
Creating WOW since 2014

**HARISH PATHAK**
Creating WOW since 2015

*Thank you to the leadership team, especially Siddharth, Avinash, Mitesh, Kanupriya, Amit, & Kannan for believing in me & entrusting me with such a core responsibility of expanding our extended family. InfoBeans created WOW again!!*

**NIDHI PATEL**
Creating WOW since 2015

*InfoBeans has always been my second home ever since I started my journey in 2016. A home which has never failed to surprise me with the ways to appreciate a team member's hard work, trust me they have a never ending bag full of ideas there.*

**ANKUR GUPTA**
Creating WOW since 2016

# FOUNDERS' NOTE



Dear Shareholders,

Through our Annual Report for the year, we are glad to share a full summary of events for the financial year 2021-22.

To begin with, we hope that you and your family members are safe and in good health. To say that the last couple of years were eventful would be a gross understatement – the world as we know stood strong against a global pandemic of immeasurable proportions, supply-chain constraints, several public and private disruptions, which further worsened as Russia went to war with Ukraine.

At the time of writing this letter, we are beginning to observe inflation in various global markets, as well as rising interest rates. Economists also believe that the United States will witness recession in the near future. While our demand forecast is positive, we stay attentive to remain adaptable and change our strategy in response to the shifting dynamics. With this, we are pleased to present to you our performance and highlights of the year as well as our goals as we prepare to take InfoBeans to the next level.

## TOGETHER WE'RE PUSHING FOR OPPORTUNITIES

*We are continuing to build upon our expertise in user experience and design, automation (RPA) and cloud technologies like Salesforce, Azure and AWS.*

### CONTINUED OUTSTANDING FINANCIAL PERFORMANCE

We performed extremely well this year, which is reflected in a significant jump across all the 3 major metrics – revenue growth, EBITDA margin and profitability. Our revenue from operations stood at INR 289 Crores compared to INR 196 Crores in FY2021, reflecting a 47% jump driven by focused execution and inorganic growth. In USD terms, revenue growth stood at 46% on a Year-on-Year basis. This was accompanied by substantially superior growth in terms of EBITDA, which stood at INR 85 Crores in FY2022 as compared to INR 54 Crores in FY2021, a 57% rise and EBITDA margins of 29%. We also registered 49% of growth on PAT which stood at INR 55 Crores for FY2022.

### ROBUST OPERATIONS

As of today, we service 150+ clients that add value to our portfolio. Of these, we serve 10 Fortune 500 customers and 6 Unicorns, a remarkable accomplishment for us at InfoBeans.

### STRATEGY FOR GROWTH

Our growth strategy is based on three pillars - organic growth via a mix of large enterprise clients and unicorn or to be unicorn clients that provide opportunities to expand ; inorganic growth through acquisitions that complement and strengthen our offerings; and investing in new age cloud, blockchain/NFT and AI based technologies

We will continue to spend and invest in organic growth, by expanding sales, enhancing and upskilling our delivery team and working towards automating several internal processes to enhance efficiency.

We have been proactively investing in new enterprise scale technologies to include them in our portfolio to provide our clients the bleeding edge solutions they need to win in today's market.

We are always looking at inorganic expansion to add to the growing list of key clients, acquire new service offerings, and enhance existing capabilities.

It has been a conscious effort from our side to build a strong mix of clients across industries to create sustainable growth and predictable profitability.

For the past 5 years, we have been investing in enterprise cloud based solutions, particularly in Salesforce and ServiceNow. To enhance our Salesforce capabilities, in November 2021, we acquired Pune-based Eternus Solutions Pvt Ltd, our second acquisition post IPO. Eternus Solutions is a Salesforce Platinum Consulting Partner providing Salesforce Consulting and implementation services focusing on the Customer Relationship Management (CRM) side. Eternus Solutions has an extensive client base in North America and the Middle East and has established itself as a leading provider for large and mid-sized enterprises.

We are continuing to build upon our expertise in user experience and design, automation (RPA) and other cloud technologies like Azure and AWS.

### OUR PEOPLE, OUR STRONGEST ASSET

We are really proud of the 1600+ team members of InfoBeans. Their honesty, loyalty and sense of ownership towards InfoBeans is inspirationalIt is pertinent to highlight here that we have over 300 team members who have completed five years with us. Building and strengthening the team at all levels of the organization remains a top priority for us. We are focusing on upskilling and reskilling our existing team to prepare them for new technology developments, along with hiring and training fresh graduates to build a formidable workforce that contributes to the country's digital transformation agenda.

### A NOTE OF GRATITUDE

We would like to take a moment to thank all our stakeholders who have stood by us, and believed in our vision, ethics, and the promise of value-creation to become our partners in progress. A note of sincere gratitude to the members of the board who have guided us to uphold the standards of governance. To our clients and partners, we thank you for believing in our capabilities that allow us to build services that are unmatched. Lastly, we thank our entire team, who tirelessly worked in these times to Create WOW for our clients and other team members to help in building a robust business.

Best wishes,
SIDDHARTH, MITESH, AND AVINASH

# IN CONVERSATION WITH THE FOUNDERS

**Q: Can you share the InfoBeans story – what prompted you to build this brand?**

A. The journey dates back to 2000 when Avinash Sethi, Mitesh Bohra and Siddharth Sethi came together to build InfoBeans for creating meaningful, world-class work opportunities for people of Indore and India.

InfoBeans has now grown to a strong team of 1,600+ proud team members across the USA, Europe, and Asia. We are a publicly listed digital transformation and product engineering organization. Our business revolves around designing, building, and sustaining enterprise-grade software to fulfill our clients' most ambitious business aspirations or resolve their complex business problems using cutting-edge technology. We strive to deliver value-accretive services to our clients over a long period of time as an extension of their own team. Our philosophy is simple – InfoBeans is our team's second home as we work hard to build a culture that fosters collaboration and excellence. Creating WOW! is not just a tagline for us, it's our religion!

**Q: Can you describe your core service offerings - Product Engineering and Digital Transformation? What is the revenue break-up for the same and how do you plan to expand your bouquet of services and offerings to more niche areas?**

A. Product Engineering, a major share of our business contributes 59% to our total revenue and is also known as outsourced product development. It works with organisations that make products to sell to the global market and largely focuses on the process of innovation, design, development, testing, and deploying software products for our clients.

Digital Transformation contributes 41% to our total revenue and works with clients that are trying to improve their internal operations to maintain a competitive edge in tomorrow's world. It usually offers increased efficiency, scalability and access to data for advanced analytics.

Our expansion plans revolve around exploring new opportunities while working on improving our competencies to better serve our clients. Digital Transformation is the need of the hour and we aim to significantly enhance this portfolio while we focus on automation tools like UI Path, ServiceNow, and SalesForce. Furthermore, with our acquisitions of Philosophie Group and Eternus Solutions, we have a huge opportunity to cross-sell and up-sell to each other's clients. Using our combined synergies, we can now deliver on larger deals while we continue to strengthen these service offerings by strategically acquiring companies that operate in a niche and evolving segments.

**Q: What differentiates InfoBeans? Why would a client select you as a preferred service provider in an already crowded market?**

A. Our journey reflects an evolution for us at InfoBeans. We have had the opportunity to learn from the best minds in the business and build capabilities that allow us to provide customized solutions to fulfil client requirements. To operate in a highly competitive IT space means we must constantly reimagine and upskill ourselves to provide solutions that are disruptive.

The last two years have tested businesses across the spectrum to show that resilience, agility, and innovation with frugality can help you stay afloat in an otherwise uncertain market.

At InfoBeans, we do not compete on scale and pricing. Instead, we focus on customer success and on partnering with them in their journey towards digitization and progress. This makes speed and agility our key differentiators, giving us a significant edge over our peers.

For an industry that is so complex and challenging to navigate, we at InfoBeans strive to resolve customer issues and provide unmatched services and products. What sets us apart is the trust earned over the years due to our transparency, unparalleled service quality and delivery.

> *With Eternus Solutions coming onboard, we now have a team of around 450+ people working on Salesforce and this aligns well with our business proposition and sets us apart from our peers to give us a better entry inside larger enterprises.*

**Q: How is Salesforce helping you win new contracts and compete with large players in the market? Do you think Salesforce is an over-crowded space?**

A. Indeed! Salesforce is an over-crowded space but still in high demand. That said, we follow a very active strategy of working with large customers for longer periods that allows us to deep dive and expand our services in these accounts. A general observation is that Fortune 500 Customers have either already moved or want to move to the Salesforce platform. There is an inherent demand from our clients as well. With Eternus Solutions coming onboard, we now have a team of around 450+ people working on Salesforce and this aligns well with our business proposition and sets us apart from our peers to give us a better entry inside larger enterprises.

**Q: What strategies do you focus on to win large size contracts in a highly competitive market?**

A. The market dynamics over the last five or six years has undergone a sea change, making us take a step back to relook at our approach to reach out to larger companies. We have a fairly strong service capability that we have been providing to our client base that includes 10+ active Fortune-500 companies and 6+ Unicorns. What we are currently focussing on is how we can expand further and create a larger revenue share. For instance, a decade ago we would take about four to five years to reach a million-dollar size for a new client.

# IN CONVERSATION WITH THE FOUNDERS

Now that velocity to reach a million-dollar size is reduced to say 6-12 months, a significant change! This is a function of size and focus on key offering around digital space.

Moreover, in the last two years and post Covid, the world firmly realised that remote work is acceptable without a doubt and in every industry the adoption of IT must be accelerated.

InfoBeans has seen a huge transition – from signing $200k accounts in the beginning to signing multi-million dollar deals at the get go. We are working towards reaching the $5 million mark for our larger clients through efficiency, innovation and quality services. We are mindful that this journey will be slow yet steady with a focus on consistency. That said, Salesforce and ServiceNow will continue to lead us to larger accounts, thereby contributing to substantial growth.

**Q: How do you see the demand environment over the next 2-3 years for the business? How are you placed to capture growing demand?**

A. We continue to see a strong demand environment for digital transformation and offshoring across sectors. The increased spend on emerging technologies is expected to continue in FY23 and beyond for at least another 5 years. Most organizations are adopting a hybrid work model, a sign of the next normal. While there will be challenges along the way in terms of supply disruption, a common industry phenomenon now, we believe that we are well-positioned to capture the growing market opportunities.

**4%**

Attrition rate of team members for 5+ years of association

*On the flip side, we see attrition as low as 4% among employees who are with us for more than 5 years, which is a good sign.*

*The increased spend on emerging technologies is expected to continue in FY23 and beyond for at least another 5 years.*

**Q: Overall, the IT industry is struggling with the situation of supply constraints., How are you addressing this challenge? When do you see this stabilising and how are you aiming at attracting the right kind of talent?**

A. The talent crunch that the IT industry and most others are facing, is expected to stabilize by the end of FY2023. The global talent pool transformation is a much more dynamic phenomenon than the great resignation era because this one calls for a rethinking of the very purpose of work and workplace. As a result, it has challenged traditional work cultures and is looking at finding ways to boost productivity across levels, roles, and emerging hybrid models, in this digital normal. Today, the top priority for any company is to accelerate programs and policies that act as enablers for employees to adapt to new work models. InfoBeans, has taken several initiatives to tackle supply challenges, some of which include –

- Investing in people at the bottom of the pyramid by hiring fresh talent. This year, we added 100 fresh graduates, and plan to hire more than 100 freshers in FY23 as well.
- Investing in upskilling and reskilling of the existing team to match the growing demands of the industry and bridge the supply gap
- Cross training people from one technology to another, i.e., migrating them towards new tech like Salesforce or ServiceNow





Apart from what is being done above we also attempted various innovative ideas to attract talent like 90-minute-offer-walkin drive wherein candidates can walk out of a walk-in drive with an offer in hand in 90 minutes straight. We have completed two successful drives in March and April 2022, rolling out 100 offers out of 400 walk-in candidates across our Indore and Pune offices

**Q: How are you managing the rising attrition rate in InfoBeans? Can you provide an attrition break-up for FY22?**

A. At InfoBeans we have a solid core team, our senior team attrition is close to zero. We have the right leaders and more than 300 people who have spent more than five years with us and they are incentivized not only by salaries and benefits but also by stock options.

A company of our size giving out stock options is practically unheard of unless it is a new-age start-up. So, we think attrition at the bottom of the pyramid is something we should not really worry about especially when we are growing. It is there, not only here, but across the industry.

For FY22, we saw that in the bracket of 0 to 2 years tenure with InfoBeans, attrition was the highest at around 14%. However, among those who are +5 years it is about 4% and people in the bracket of 2 to 5 years is about 6%. Interestingly, one thing that stands out very prominently for us is that people between 0 to 2 years of tenure, who joined us virtually and left virtually are the ones who are most volatile, as there was little or no bonding as a team.

The online joinees haven't been able to experience the InfoBeans Culture first hand. Without spending time in a physical work environment, it is difficult to establish a harmonious working relationship and build strong bonds with fellow team members.

On the flip side, we see attrition as low as 4% among employees who are with us for more than 5 years, which is a good sign. We would like to inform you that we have initiated a very unique and widely appreciated idea of showing our gratitude towards our top performers by putting them on a large billboard on a busy road in the city. This simple act of acknowledging and appreciating their contribution catapults them to a celebrity-status among friends and family. They stay on

# IN CONVERSATION WITH THE FOUNDERS

the billboard for a week, and this is running for the last 12 weeks which we plan to replicate in other cities too.

Like we said earlier, the pandemic-induced demand has resulted in talent shortage and competitive hiring in the industry. Like other IT companies, the attrition has been higher this year. However, at InfoBeans being a people-first organization, we continue to deploy different strategies like stock options, retention bonuses, people-friendly policies, deep engagement and career progression plans for the majority of the team.

**Q: Over the last couple of years, cost of hiring has increased dramatically across the industry, which is somehow pressurizing margins. How are you planning to pass over the increased cost to your customers going forward?**

A. We have very deep relationships with our clients and we always believe in working in the core businesses, and providing high-value-added services. So, we have been successful to a good extent in passing over the increased cost to our clients. Another point to highlight here is, we are investing in people for the future, and working towards building very strong teams in new-age technologies which allow us to avoid competing over price.

**Q: Can you give us an update on Philosophie integration? Have you started generating revenue from Philosophie?**

A. As per the share purchase agreement that we signed with them, the founders continued to drive it until the end of CY2021 and then we formally took it up. We have completed the integration and from January 2022 onwards, Philosophie stands completely merged with InfoBeans.

**Q: Can you update us on Eternus Solutions acquisition and its integration?**

A. During the year we acquired Eternus Solutions Pvt Ltd, a Salesforce Platinum Consulting partner in an all-cash deal. The total consideration was of INR 150 Crores, comprising INR 130 Crores allocated to the historical and forecasted business performance and INR 20 Crores allocated to the overachievement of future performance targets. For the four months post acquisition in FY22, INR 23 Crores revenue was booked. At present, our HR/Finance/Sales/Marketing teams are working together to enhance business development and overall performance of the company. It is showing good progress that is evident in improved revenues and margins of Eternus Solutions posted in the March quarter.

*We have completed the integration and from January 2022 onwards, Philosophie stands completely merged with InfoBeans.*





**Q: Can you talk more about cross-sell and up-sell opportunities you are seeing, post Philosophie and Eternus acquisition?
How do they complement us?**

A. Our effort is ongoing in terms of figuring out the best way to leverage synergies. One of the core areas which both acquisitions helped us is to strengthen our relationship with clients at a deeper level.

Philosophie has a very good ability to sign and onboard new customers through design and innovation. Once the customer comes onboard, that's when InfoBeans' existing capabilities and our repository of services become very attractive for retention of the clients beyond the initial design and innovation efforts. So that's something that we have been focusing very heavily on and in fact there are many clients that we have are almost fully converted from designing innovation opportunities into InfoBeans engineering opportunities. While designing innovation opportunities might emerge in the future with them, we now have them as our ongoing customers. At the same time, our own customers who continue to look at newer design and innovation opportunities, allow us to leverage the capabilities brought in by Philosophie and we continue to create an increased wallet share in terms of our clients. Also, both the founders of Philosophie continue to work with us which is another very positive sign creating long term value for business.

Similarly, Eternus Solutions being a Platinum Salesforce consulting partner, helps enter larger enterprises with Salesforce offering. Most of the Fortune 500 companies have either moved or want to move to the Salesforce ecosystem. With Eternus Solutions coming on board, we see a huge potential to offer InfoBeans existing capabilities once the customer is onboarded.

**Q: M&A plan? What are the capabilities and capacities we are targeting for?**

A. Our acquisition strategy has been well defined. We are scouting for growing and profitable businesses. Anything that would help us traverse product engineering and digital transformation journey better, would be a good fit. Also, we are keen for companies that operate in the new-age technologies and platforms like Salesforce, ServiceNow, UIPath, UX, and Automation.

**Q: Are the potential inorganic growth opportunities that you are evaluating based in the US?**

A. Majority of the opportunities that we are evaluating are either based in the US or have a significant portion of their revenue coming from the US. We understand the US market very well given our strong presence there for more than two decades. Culturally, we look for organisations that fit better into our work ethos and are easier to integrate with our organisation.

**Q: The company had announced its maiden buyback in FY22. What was the rationale in doing this?**

A. We announced the buyback to reward our shareholders. We got listed on May 2, 2017. At that time, we offered our shares at an issue price of Rs 58 per equity share. Four years later, to reward our shareholders who have been with us on this long journey and to ensure their long-term value creation, we announced a buyback of 1.8% of equity at INR 232 per equity share. The guiding principle was to offer 4X return in 4 years. The size of buyback was INR 10 Crores, and it was done through a tender offer. Not a single share was tendered in buyback. This is a positive sign from the investor community who felt that the buyback price is lower than the real value of the business, a good credibility check and response from the market to the company.

**Q: You have been stating in your talks that you want to grow the business 2X every three years. What is the roadmap towards this goal?**

A. We aspire to continue with the momentum we have created and grow our business 2X every three years – a vision we aim to carry forward. In FY17 we were at INR 84 Crores versus INR 165 Crores in FY20, which is almost twice. Similarly, in FY18 we were at INR 97 Crores versus INR 196 Crores in FY21. So, in FY17 we went public and raised funds and in FY19 we acquired Philosophie and again in FY21, we acquired Eternus. Our growth has been a mix of organic and inorganic which has allowed us to maintain 2x growth every three years. Given that this strategy is working well for us over the last five years, we want to continue walking that path. In case, if we are short of capital for growth, we will raise capital to fuel this growth.

# BOARD OF DIRECTORS

## Mr. Siddharth Sethi
MANAGING DIRECTOR

Mr. Siddharth Sethi, is one of the co-founders, promoters and the Managing Director of the company. He is a graduate in Electrical Engineering from Devi Ahilya Vishwavidyalaya, Indore, India and an MBA from IIM, Indore. He is responsible for software delivery in all geographies and business development in Europe and Middle-East. He has extensive work experience in user experience design and has a passion for creating amazing workspaces for the team.

## Mr. Mitesh Bohra
EXECUTIVE DIRECTOR & PRESIDENT

Mr. Mitesh Bohra, is one of the co-founders, promoters and the Executive Director of the company. He has an engineering degree in Electronics from Devi Ahilya Vishwavidyalaya, Indore and dual MBA degrees from Columbia Business School, New York and Haas School of Business, UC Berkeley, California. He has over two decades of experience in the software industry in the USA where he gained a wide breadth of invaluable expertise in strategy, sales, and account management while consulting for companies like GE, Merck, Disney, and Lockheed Martin. With an instinctual grasp of the market and an innate ability to deliver high quality under pressure, he led InfoBeans' sales and delivery to grow the company from scratch into a dynamic operation in the US and India. He is currently leading business development efforts in the USA.

## Mr. Avinash Sethi
DIRECTOR & CHIEF FINANCIAL OFFICER

Mr. Avinash Sethi, is one of the co-founders, promoters, Executive Director and CFO of the company. He is a graduate in Electrical Engineering from Devi Ahilya Vishwavidyalaya, Indore, India and an MBA from IIM, Indore. He has a penchant for exploring uncharted territories. Over the years, he has developed a keen interest in Finance and HR functions. He believes in building a team that has a great sense of belongingness, an essential element in continuous long term growth of the organization. He has also tasked himself with growing InfoBeans inorganically.

## Mr. Santosh Muchhal
NON EXECUTIVE INDEPENDENT DIRECTOR

Mr. Santosh Muchhal, is one of the Non-Executive and Independent Director of the company. He holds a Bachelor's degree in Commerce and is a member of ICAI with over 27 years of rich work experience. Further, he is an Executive Committee member of the Indore Management Association and the President of the Governing Board of RPL Maheshwari College, Indore.

## Mr. Sumer Bahadur Singh
NON EXECUTIVE INDEPENDENT DIRECTOR

Mr. Sumer Bahadur Singh, is one of the Non-Executive and Independent Director of the company. He has been associated with Lawrence School (Sanawar), Asian School (Dehradun) SUTRA, and many others. He has taught at Doon School, Gordonstoun (Scotland), Boxhill and Windermere St. Anne's (England) and UWC (Wales). At present, he is a board member of Global Connections (Beijing, China), Mayo College General Council, Indore Management Association, Member of Indian Public School Society, and Trustee of Indore Cancer Foundation.

## Mrs. Shilpa Saboo
NON EXECUTIVE INDEPENDENT DIRECTOR

Mrs. Shilpa Saboo, is one of the Non-Executive and Independent Director of the company. She is the Founder and CEO of Educators-pal from Indore. Previously she has worked with Tech-Synergy (USA) as Director, DKM Inc (USA). She has been volunteering in various elementary schools for math workshops and special causes related to children, education, and in the field of science and technology.

# LEADERSHIP TEAM

### Amit Makhija
VP DIGITAL TRANSFORMATION

- 23 years in Software & Management
- 15 years with InfoBeans

### Rajagopalan Kannan
VP DESIGN ENGINEERING

- 22 years in Software Engineering
- 19 years with InfoBeans

### Kanupriya Manchanda
VP PEOPLE

- 18 years in People Development
- 14 years with InfoBeans

### Arpit Jain
VP DESIGN

- 16 years in Software Design & Engineering
- 16 years with InfoBeans

### Manish Malpani
VP OPERATIONS

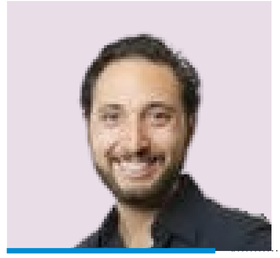
- 18 years in Project Management
- 13 years with InfoBeans

### Ram Lakshmi
VP CLIENT SUCCESS (USA)

- 27 years in Software Sales
- 12 years with InfoBeans

### Emerson Taymor
SVP SALES & MARKETING PHILOSOPHIE

- 13 years in Design & Sales
- 3 years with InfoBeans



### Skot Carruth
SVP & MENTOR, DESIGN PHILOSOPHIE

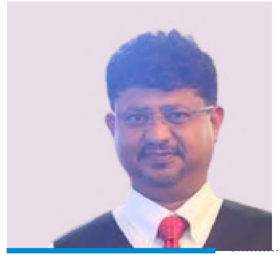
- 16 years in Design
- 3 years with InfoBeans

### Tarulata Champawat
VICE PRESIDENT, US SALES & MARKETING

- 22 years in Engineering & Sales
- 17 years with InfoBeans

### Jitendra Tannna
CEO, ETERNUS SOLUTIONS

- 31 years in Management & Engineering



### Shreyas Merchant
COO, ETERNUS SOLUTIONS

- 27 years in Engineering & Sales

### Geetanjali Punjabi
VICE PRESIDENT, UAE SALES

- 20 years in Sales operations
- 5 years with InfoBeans

# IN THE FIGHT AGAINST COVID-19



As the world continues to respond to COVID-19, we, at InfoBeans, are doing our part by ensuring the safety of our people and striving to offer support to the communities in which we operate.

## Prioritising team well-being

The biggest thing we can do today is to create a bridge between those in need & those who can extend their support. These initiatives will help our team members to:

- Save time, to save lives
- Avoid stress, to help those in the middle of the crisis
- Provide essentials on time to improve quality of care
- Boost mental strength for immediate support to come out of the crisis

## InfoBeans' COVID-19 Internal Helpline

We created six internal helpline committees to extend support to team members and their families, especially for those directly affected by COVID-19. InfoBeans teammates stepped up as volunteers to help our team in these tough times.

### 30+ Volunteers Working in 6 Critical Committees:

**HOSPITALIZATION**
Ensuring bed availability and authenticated leads

**MEDICINE**
Ensuring timely availability and delivery of medicines

**DIAGNOSTIC**
Ensuring saving time and reduced waiting time for diagnostic services

**OXYGEN SUPPORT**
Ensuring reliable connects and authenticated procurement

**DOMESTIC HELP**
Ensuring a supporting arm

**EMOTIONAL WELLBEING**
Ensuring emotional support and morale boost

## Other initiatives

- Vaccination drive for 45+ years completed and for 18+ years
- 14 days paid leave for the diagnosed team member
- Salary advances
- Fundraising efforts for our team members
- 24/7 support for all team members

# HONOURED AND ENCOURAGED TO DO MORE



### 2021
**INDIA'S GROWTH CHAMPIONS 2021**

By The Economic Times and Statista

### 2021
**DREAM EMPLOYER OF THE YEAR, 10TH EDITION**

Hosted by World HRD Congress and ET Now

### 2021
**RANKED 18TH AMONG**

Top 25 Companies to Work for 2021

### 2021-22
**GREAT PLACE TO WORK**

April 2021 - March 2022

### 2015, 16, 19 & 20
**RANKED AMONGST TOP 50**
IT COMPANIES TO WORK FOR IN INDIA

NASSCOM HR Summit, 2015, 2016, 2019 & 2020

### 2021
**CORPORATE SOCIAL RESPONSIBILITY AWARD**

By Amity University

### 2011, 13
**ASIA'S BEST EMPLOYER BRAND AWARD**

For Talent Management 2011, 2013

### 2012, 15 & 18
**CMMI LEVEL 3**

By Software Engineering Institute, 2012, 2015 & 2018

### 2017, 18 & 20
**DREAM COMPANIES TO WORK**

For 2017 & 2018 and 2020 in IT & Software Sector, conferred at the silver jubilee ceremony of World HRD Congress

### 2019
**ASIA'S BEST EMPLOYER BRAND AWARDS 2019**

Hosted by the Employer Branding Institute

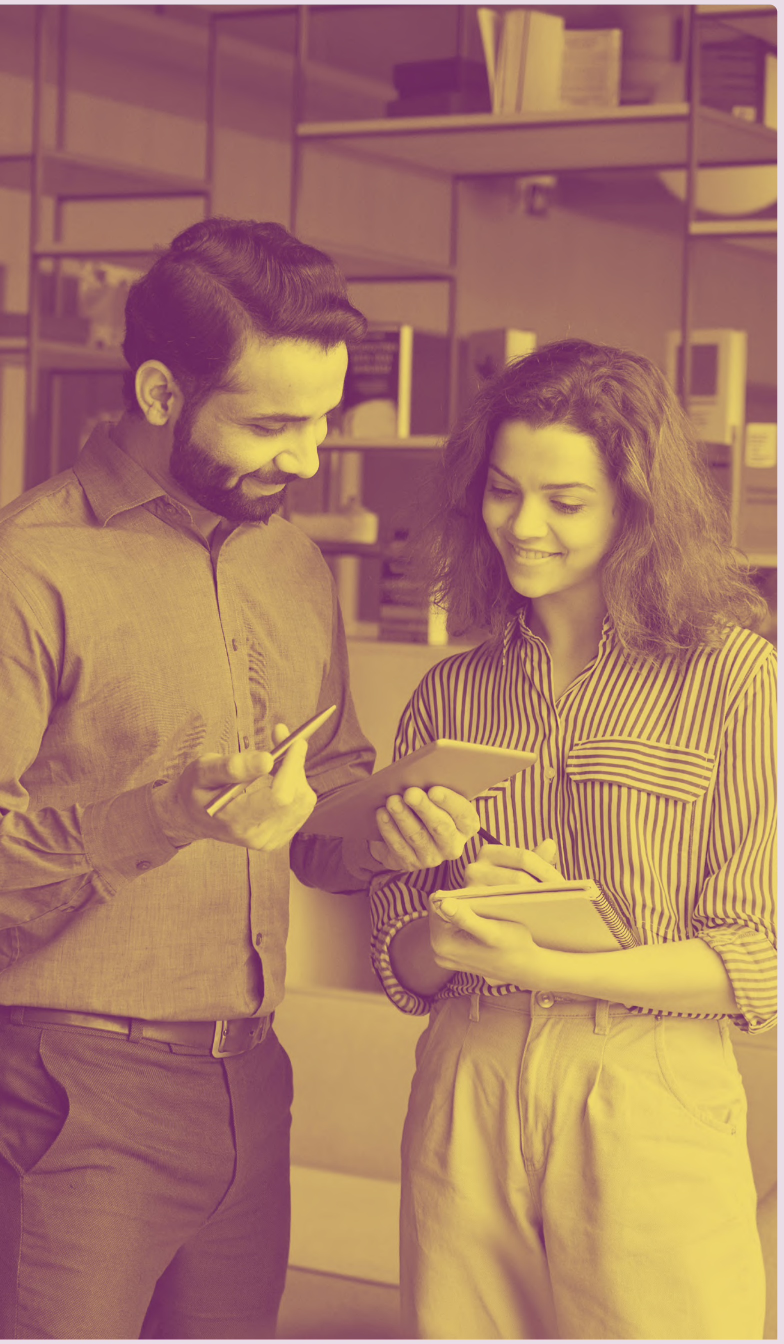
### 2019
**BEST EXPORTING COMPANY 2019 AWARD**

By Business Today, conferred by the then Chief Minister Mr. Kamalnath

### 2020
**BEST CORPORATE SOCIAL RESPONSIBILITY COMPANY**

At Amity CSR Conclave, 2020

# MANAGEMENT DISCUSSION AND ANALYSIS



## GLOBAL ECONOMY

2021 was a year of resilience. The pandemic's second year brought significant challenges such as new waves of Covid-19, volatile financial market, increased inflation, and supply chain disruption, however, it also brought rapid and effective rollouts of vaccination programs, recovery of economies, demand acceleration for digitalization, a hybrid work model, and a renewed sense of community.

According to the International Monetary Fund's (IMF) World Economic Outlook released in April 2022, after expanding by 6.1% in 2021, the global economy is projected to slow down to 3.6% in 2022 and 2023. The recovery in 2021 was majorly driven by robust consumer spending and a rise in investments. However, by the end of 2021, the pace of growth slowed considerably – particularly in China, the United States and the European Union as the effects of monetary and fiscal stimulus began to recede and supply chain disruptions emerged significantly. In many economies, rising inflationary pressures are posing additional threats to recovery. The outbreak of the Russia – Ukraine war is an additional headwind that could lower the global growth prospects in the near term.

As the highly transmissible Omicron variant of Covid-19 unleashes new waves of infections, the human and economic toll of the pandemic is expected to rise again. The pandemic will continue to represent the biggest risk to an inclusive and sustainable recovery of the global economy unless a coordinated and sustained global approach to contain the pandemic is implemented, which includes universal access to vaccines. There is a need for better-targeted policy and financial measures at the national and international levels. We believe that Policymakers and governments will work together to make 2022 a true year of recovery.

## INDIAN ECONOMY

Notwithstanding a highly transmissible third wave caused by the Omicron variant of Covid-19, India is on a different path of recovery from the rest of the world. India is poised to grow at the fastest pace among major economies. As per International Monetary Fund's (IMF) World Economic Outlook released in April 2022, the Indian economy contracted by 7.3% in 2020 – a year of the pandemic outbreak - is now projected to grow by 8.9% in 2021 and 8.2% in 2022; and by 6.9% in 2023. The strong recovery in 2021 is supported by rapid vaccination rollouts and sustained fiscal and monetary support.

According to the Reserve Bank of India's (RBI) Bi-monthly Monetary Policy released on 8th April 2022, the Indian economy grew by 8.9% in 2021-22. The growth was majorly driven by increased private consumption and investments. Business confidence is at an all-time high, indicating that the economy is on the path to revival.





As the horizon was brightening up, intensifying geopolitical tensions have cast a shadow on the economic outlook. Although India's direct trade exposure to countries at the epicenter of the conflict is low, the war might impede the economic recovery through rising commodity prices and global spillover channels. Furthermore, financial market volatility induced by monetary policy normalization in advanced economies, renewed virus infections in some major countries with augmented supply-side disruptions and prolonged shortages of critical inputs such as semiconductors and chips, pose downside risks to the outlook. Taking all these factors into consideration, Indian economy growth for 2022-23 is now estimated to grow at 7.2% (vs. 8.2% projected by IMF) with Q1:2022-23 at 16.2%; Q2 at 6.2%; Q3 at 4.1%; and Q4 at 4.0%, assuming crude oil (Indian basket) at US$ 100 per barrel during 2022-23.

After two years, economies across the globe were emerging out of the pandemic situation, however with the commencement of the war in Europe, followed by sanctions and escalating geopolitical tensions, we are now confronted with new but immense challenges – shortages in key commodities, fractures in the international financial architecture and fears of deglobalisation. While the pandemic quickly evolved from a health crisis to one of life and livelihood, the conflict in Europe has the potential to derail the global economy. Caught in the cross-current of several headwinds, policymakers and governments across countries are now required to be cautious but proactive in taking measures to mitigate the adverse impact and speed up recovery.

## FY22 Financial Highlights

(%)

| Economy | Actual | | Projections | |
|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2023 |
| World Output | (3.1) | 6.1 | 3.6 | 3.6 |
| Advanced Economies | (4.5) | 5.2 | 3.3 | 2.4 |
| United States (US) | (3.4) | 5.7 | 3.7 | 2.3 |
| Eurozone | (6.4) | 5.3 | 2.8 | 2.3 |
| Japan | (4.5) | 1.6 | 2.4 | 2.3 |
| United Kingdom (UK) | (9.4) | 7.4 | 3.7 | 1.2 |
| Other Advanced Economies | (1.9) | 5.0 | 3.1 | 3.0 |
| Emerging Market and Developing Economies | (2.0) | 6.8 | 3.8 | 4.4 |
| China | 2.3 | 8.1 | 4.4 | 5.1 |
| India | (7.3) | 8.9 | 8.2 | 6.9 |

Source: IMF – World Economic Outlook (WEO) April 2022

# MANAGEMENT DISCUSSION AND ANALYSIS

## IT INDUSTRY

In 2020, the sudden outbreak of the Covid-19 pandemic impacted businesses across all sectors of the economy and disrupted the supply chain across the globe. Since then, the overall IT-BPM industry witnessed drastic shifts in the strategic priorities of the organizations. Most of them have accelerated their digital transformation processes, optimized various costs, and enhanced product innovation. Organizations have increased their investments in new and emerging technologies such as Robotics Process Automation (RPA), Artificial Intelligence (AI), Machine Learning (ML), Cloud Computing, Big Data Analytics, Blockchain and Internet of Things (IoT) to prepare for any future disruptions.

### India's Technology' Market Set to Cross $227 Bn, a 15.5% Y-O-Y Growth

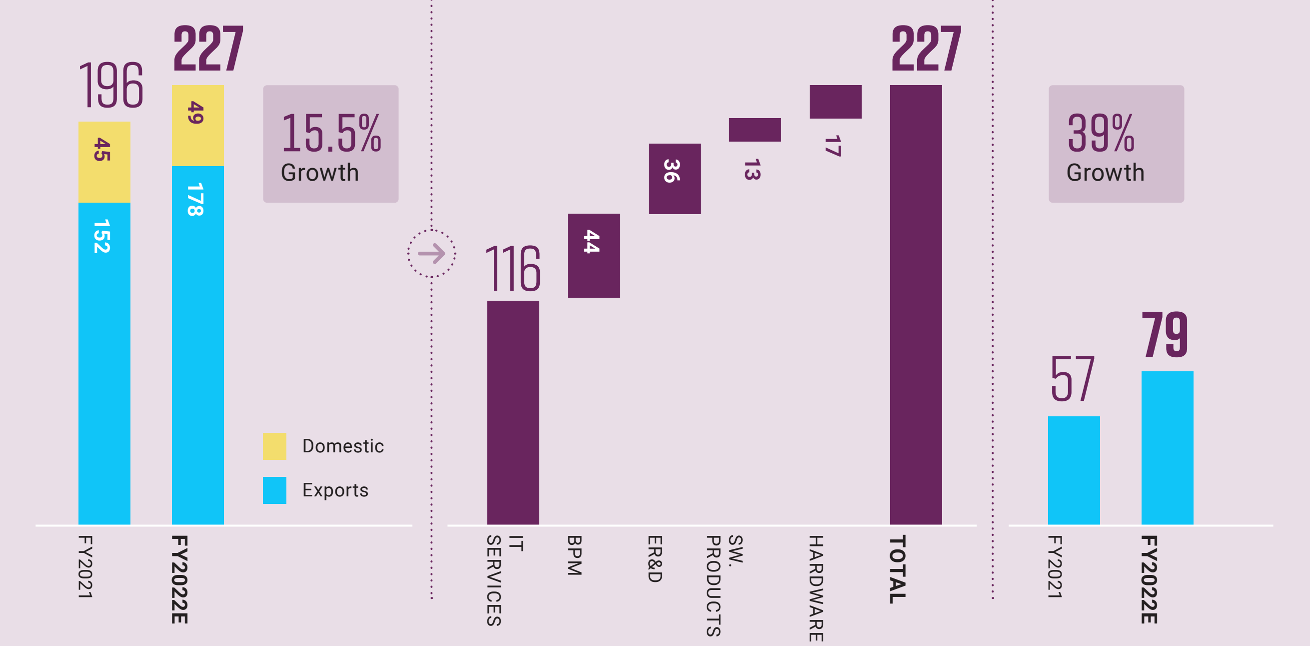
($ Bn)

### FY2022E-Segmented breakup

($ Bn)

### E-commerce

($ Bn)




[1] Includes IT services, BPM, ER&D, Software products and Hardware
Note: Totals may not add up to 100% due to rounding off effect
Source: NASSCOM

According to Nasscom's Strategic Review 2022 report, the Indian Information Technology - Business Process Management (IT-BPM) industry stood at USD 196 Bn in FY2021 and is expected to touch USD 227 Bn in FY2022, reflecting a growth of 15.5% on a year-on-year basis. The IT-BPM industry consists mainly of IT Services and Business Process Management (BPM), other segments involve Software Products, Engineering Services and Hardware. Indian IT exports are likely to touch USD 178 Bn (incl. hardware) in FY2022, which is ~78% of revenue, reflecting a growth of 17.2% over FY2021. Growth in exports seen across all the major markets – USA, UK, Europe and Asia.

The growing pool of graduates coupled with a maturing talent ecosystem is helping the growth of the digital talent pool in India, which has witnessed a substantial increase in the demand over the last two years. As a result, India has emerged as an unparalleled human capital destination - being the 'Digital Talent Nation' to the world with the Indian IT industry being the flag bearer. In FY2022, India's IT-BPM industry employed over 5.1 Mn people, with ~1.6 Mn of them being digitally skilled.





## FY 2022 - MIlestone Year for the Industry

**Unabated growth trajectory**
- Crossed **$200 bn** revenue
- **$30 bn** net addition (industry was less than 630 bn in 2006)
- Double digit growth across sub-sectors (highest since 2011)
- **59% share** in global sourcing market (India continues to be No. 1)

**Diversified and collaborative tech ecosystem**
- **~6,000+** Indian tech services companies across IT, 8PM, ER&D
- **~2,000+** product companies
- **~25,000+** tech start-ups, **78+** unicorns
- **~2,000+** GCCs / MNCs

**Reimagining India**
- **$178 bn** exports contributing to 51% share of services exports
- **3rd** largest tech start-up hub in the world
- Domestic Tech market at **~$50 bn**

**Enabling diversity and inclusion**
- **1.8 mn** women employees - largest private-sector employer
- Talent from **150+ nationalities**
- **200K** women hired in FY2022E

**Job creation at scale**
- **5 mn** direct employees (Over 2 mn added in last 10 years)
- **~450,000** added in FY2022 - highest addition ever

India is projected to make a leap in the next 3-5 years, with a goal of becoming a USD 1 Trillion digital economy by 2025 and concentrated digitization initiatives by governments and industry. Depth of digital transformation efforts is beginning to set the pace as organizations strive for outcome-oriented adoption of emerging technologies, which will further open the space for more high-value engagements for services providers in the domestic market. InfoBeans Technologies is very well poised to capture the growing opportunities in the digital economy.

# MANAGEMENT DISCUSSION AND ANALYSIS

## COMPANY OVERVIEW

InfoBeans was founded in 2000 and now consists of a strong team of 1,600+ people. We are a publicly listed Digital Transformation and Product Engineering outfit. We design, build and sustain enterprise-grade software to fulfil our clients' most ambitious business aspirations or resolve their complex business problems using cutting-edge technology. We strive to deliver value-accretive services to our clients over a long period of time as an extension of their own team. We intently focus on the philosophy that InfoBeans is our team's second home across our offices in the USA, Europe, and Asia. We work hard every day to grow a work culture that fosters collaboration and excellence.

Creating WOW!
It is not just a tagline for us, it's our religion!

## REVIEW OF FINANCIAL AND OPERATING PERFORMANCE

### Financial Performance Review

For the year ended March 31, 2022, our business performance in terms of revenue and profits witnessed strong growth. This was true at both Standalone and Consolidated level.

### Profit & Loss Statement

On a consolidated basis, the Company registered a total revenue of INR 288.9 Crores (including other income of INR 17.5 Crores) for the year ended March 31, 2022, as compared to INR 196.2 Crores (including other income of INR 15.9 Crores) for the year ended March 31, 2021, registering a growth of 47%. The Company registered a net profit of INR 55 Crores for the year ended March 31, 2022, as compared to INR 36.8 Crores in the year ended March 31, 2021, registering a growth of 49.4%, driven by winning profitable opportunities by expanding into the existing clients and landing into new. Improvement in operating margins are also attributed to savings on account of drop in travel and minimal office functioning due to the pandemic.

## BALANCE SHEET

APPLICATION OF FUNDS

NON CURRENT ASSETS

**1) Property Plant and Machinery:**

Property, plant and equipment as on March 31, 2022, was INR 13.75 Crores as compared to INR 11.83 Crores in the previous year. Variance is explained as below:

- Net additions of INR 6.50 Crores during the year
- Depreciation charge of INR 4.58 Crores
- Foreign exchange translation adjustment was nil

**2) Other Intangible Asset**

Other Intangible assets as on March 31, 2022, were INR 188 Crores as compared to INR 40 Crores in the previous year. Variance is explained as below:

- Gross addition of INR 157 Crores during the year primarily on account of the acquisition of Eternus Solutions.
- Depreciation charge of INR 10 Crores
- Foreign exchange translation adjustment of INR 0.88 Crores

**3) Non- Current Financial assets**

A) **Investments**

Non-Current Investments balance as on March 31, 2022, were INR 33 Crores as compared to INR 67 Crores in the previous year.

On October 28, 2021, the company acquired Eternus Solutions Pvt Ltd, a platinum consulting partner of Salesforce in an all cash deal. It provides consulting and implementation services focusing on the Customer Relationship Management (CRM) side. Eternus Solutions has an extensive client base in North America and the Middle East and has established itself as a leading digital transformation services provider for large and mid-sized enterprises. The company has a diverse 250+ member team of consultants, engineers and strategists. The acquisition is a right fit in InfoBeans growth strategy by bolstering its presence in the Salesforce ecosystem. Refer to 39 of the financial statements for more details.

B) **Other financial assets**

Other financial assets as on March 31, 2022, were INR 2.7 Crores as compared to INR 2.5 Crores in the previous year.

**4) Deferred Tax assets/liabilities**

A) Deferred tax asset (net) as on March 31, 2022, was INR 11 Crores as compared to INR 7 Crores in the previous year.

B) Income tax assets (net) as on March 31, 2022 stood at INR 1 Crores as compared to INR 0.4 Crores in the previous year.

**5) Current Financial assets**

A) **Investments**

The Current Investments balance was INR 2.9 Crores as on March 31, 2022, as compared to INR 3.9 Crores in the previous year.

B) **Trade Receivables**

Trade receivables as of March 31, 2022 stood at INR 65 Crores as compared to INR 39 Crores in the previous year.

C) **Cash and Bank Balance**

Cash and cash equivalents as on March 31, 2022, was INR 41 Crores as compared to INR 23 Crores in the previous year.

Bank balance other than Cash and cash equivalents as on March 31, 2022, was INR 21 Crores as compared to INR 13 Crores in the previous year.

D) **Other Financial assets**

Other Financial Assets as on March 31, 2022, was INR 5 Crores as compared to INR 0.4 Crores in the previous year.

**6) Other Current assets**

Other current assets were at INR 6.1 Crores as on March 31, 2022 as compared to INR 6 Crores in the previous year.

## SOURCES OF FUNDS

EQUITY AND LIABILITIES

**7) Total Equity**

We have one class of share- equity share capital of par value INR 10 each. The issued, subscribed and paid-up capital stood at INR 231 Crores as at March 31, 2022, which was INR 181 Crores in the previous year.

On May 28, 2021, the company announced to do a buy back of 4,31,717 Shares, representing 1.8% of the total number of equity shares in the paid-up share capital of the Company, at a price of INR 232/- per share. The size of buyback was INR 10 crore and it was done through a tender offer. Not a single share was tendered in buyback, which is a good news that the investor community felt that the buyback price is lower than the real value of the business which is a good credibility check and good response back from the market to the company.

During the year, we have allotted 1,55,989 Equity Shares to the eligible team members as per the InfoBeans Partnership Programme, (Employee Stock Option Plan 2016), resulting in an Increase in the number of Equity Shares.

**8) Non- Current Financial Liabilities**

Non - Current Financial Liabilities (includes Borrowings, Lease Liability and Other Financial Liability).

The Non-Current Financial Liabilities as on March 31, 2022, was INR 28 Crores as compared to INR 38 Crores in the previous year.

**9) Provisions**

The Long-term provision balance as of March 31, 2022 was INR 7 Crores as compared to INR 6.5 Crores in the previous year.

**10) Current Financial Liabilities**

Current Financial Liabilities (includes Borrowing, Lease Liability, Trade Payables and Other Financial Liability).

The Current Financial Liabilities as on March 31, 2022, were INR 107 Crores as compared to INR 15 Crores in the previous year. The increase in this year is on account of deferred consideration payable on the acquisition of Eternus Solutions.

**11) Current Tax Liabilities**

The current liabilities for both, March 31, 2022, and March 31, 2021 were nil.

**12) Other Current Liabilities**

The Short-term provision balance as on March 31, 2022, was INR 6 Crores as compared to INR 5 Crores in the previous year.

## FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more) as compared to the immediately previous financial year) in key sector-specific financial ratios.

# MANAGEMENT DISCUSSION AND ANALYSIS

The Company has identified the following ratios as key financial ratios:

| Particulars | Consolidated | | Change | Remarks |
|---|---|---|---|---|
| | FY22 | FY21 | | |
| Debtors Turnover | 5.18 | **4.97** | 5% | NA |
| Interest Coverage Ratio | 10.20 | **6.91** | 48% | Improved on account of increased profitability |
| Current Ratio | 1.23 | **4.25** | (71%) | Due to deferred consideration payable on acquisition of WOS Eternus Solutions Private limited |
| Debt-to-Equity Ratio | 0.12 | **0.21** | (43%) | On account of lease repayment during the year |
| Operating Profit Margin (%) | 23% | **20%** | 18% | NA |
| Net Profit Margin (%) | 19% | **19%** | Stable | NA |

## PEOPLE

The success of a company relies on the strength of its people and InfoBeans is no different. Being in the service industry, our people are the greatest and most important asset we have. The success of InfoBeans is dependent upon engaged, motivated individuals who love what they do. InfoBeans has for long held a reputation for being a Great Place to Work - a reputation we have worked very hard to earn over the last two decades and for which we have been awarded multiple times. Our commitment to providing a positive, productive environment is so critical that it is one of our core values and is what makes the company a great place to work.

InfoBeans is a people first company and we continue to deploy different strategies like stock options, retention bonuses, people friendly policies, deep engagement and career progression plans for the majority of the team. We continue to hire aggressively across our service offerings, especially at the bottom of the pyramid.

We are also attempting unique and innovative ideas to attract talent like a 90-minute-offer-walkin drive. Candidates can walk out of a walk-in drive with an offer in hand in 90 minutes straight. We have done two successful drives in March and April 2022, rolling out 100 offers out of 400 walk-in candidates across our Indore and Pune offices

Another unique and widely appreciated idea of showing our gratitude towards our top performers is ongoing. A select set of high performers find themselves on a large billboard on a busy road in the city. This simple act makes them a celebrity garnering attention and appreciation from friends and family. They stay on the billboard for a week, this is running for the last 12 weeks and we plan to continue it in other cities too.

Interestingly, one thing that has come out very prominently for us is that people between 0 to 2 years of tenure with us, who had joined us virtually and left virtually are the ones who are most volatile. They had little bonding with us as a team. But on the flip side, for those who are with us for more than 5 years, we see only 4% attrition there, which is good. As on March 31st 2022, there were 1600 + team members globally on the payrolls of the Company

InfoBeans has a mission to deliver value to all of our stakeholders and our people are no exception. We have undertaken initiatives to strengthen recruitment and team engagement, through leadership and development programs. Our benefits move beyond healthcare and retirement savings into wellness programs, volunteer time, and one of the most cherished, flexible work schedules. These factors are critical to our success as we expand our global footprint.

At InfoBeans we believe in providing a ladder of opportunity for every member of our team through programs and initiatives supporting inclusive career growth. Currently we have 1600+ team members globally.

## INTERNAL CONTROL SYSTEMS & RISK MANAGEMENT

In view of the changes in the Companies Act, the Company has taken additional measures to strengthen its internal control systems. Additional measures in this regard are fraud risk assessment, mandatory leave for employees, strengthening the background verification process of new joiners, whistle blower policy, and strengthening the process of risk management.

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. The organization is well structured, and the policy guidelines are well documented with pre-defined authority.

The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict





adherence to applicable laws and regulations. The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported.

The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis. Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process. Periodical audit and verification of the systems enables the various business groups to plug any shortcomings in time. As stated earlier the Company has improved the effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvements in strengthening risk mitigation measures for all key operations, controls and governance process. In addition, the top Management & the Audit Committee of the Board periodically review the findings and ensure corrective measures are taken.

## INDUSTRIAL RELATIONS

The Company has maintained cordial industrial relationships during FY22.

## RISKS & CONCERNS

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors.

| | |
|---|---|
| **Economic Risks** | A major part of our business is substantially dependent on the prevailing global economic conditions. Factors that may adversely affect the economic growth world over could affect the demand for customized software solutions including a slowdown in the implementation of digitization programs.<br><br>These factors include but are not limited to - inflation, changes in tax structure, trade environment, fiscal and monetary policies etc. As our revenues are highly dependent on a) the export of IT solutions and b) our clients need for digital solutions; an economic slowdown or other factors that affect the economic health of the nation or those client industries, or any other impact on the growth of such industries, may affect our business. |
| **Regulatory Risks** | If the company is unable to obtain required travel documents in a timely manner, our business and operations may be adversely affected. We may encounter delays in obtaining these requisite approvals, or may not be able to obtain such approvals at all, which may have an adverse effect on our revenues. However, the Government has come up with a number of initiatives to boost the information technology sector and has planned incentives for this sector. As all industry predictions suggest that this will be the trend in the future as well and given our own experience in obtaining such permissions, we do not expect this risk to affect us materially in the coming years. |
| **Dependence on Key Personnel** | Team attrition and constraints in the availability of skilled people could pose a challenge to any services company. The company believes that people are key to its success. InfoBeans always endeavors to keep its human capital at the center and has initiated multiple steps for the overall development of its people. We encourage entrepreneurship within the organization and offer new challenges and opportunities to our team members. We have made significant investments in our recruitment and training procedures.<br><br>As far as the dependence of the core founding team is concerned, in the past few years leading up to today, the company has made tremendous efforts in the development of a professional, high-ranking management and leadership team, which has been provided with enough autonomy to function on its own. In the last decade, the company has been focusing heavily on transforming itself from being a founder-driven to a management-driven organization. InfoBeans endeavors to have an effective succession plan in place to further mitigate these risks gradually over the next 5-15 years. |

# MANAGEMENT DISCUSSION AND ANALYSIS

| | |
|---|---|
| **Client Concentration and Account Risks** | The company's strategy is to engage with a few strategic customers and build long-term relationships with them. This strategy inherently creates a risk of concentration of business from our core clientele. In the trade-off between, doing a large number of projects for a diversified clientele and digging deeper into a limited and growing set of large clients, we have chosen the latter.<br>Any shift in customer preferences, priorities, and internal strategies can have an adverse impact on the company's operations and outlook. InfoBeans does have the benefit of being well entrenched with many of its clients, involved in their critical and strategic initiatives. Therefore, client concentration-related risks are mitigated to a certain extent. |
| **Liability Risks** | This risk refers to our liability arising from any damage to technology, equipment, office premises, life and third parties which may adversely affect our business. The company attempts to mitigate this risk through contractual obligations and insurance policies. |
| **Execution Risks** | The company undertakes numerous projects each year and there are always several more in the pipeline. These contracts are often conditioned upon our performance, which, if unsatisfactory, could result in lower revenues than previously anticipated. Some of our long-term client contracts contain benchmarking provisions which, if triggered, could result in lower future revenues and profitability under the contract. Any delay in project implementation can impact revenue and profit for that period. Our implementation schedules are in line with the plans. Emergency and contingency plans are in place to prevent or minimize business interruptions. Therefore, we do not expect this risk to affect us materially in the future.<br>There are multiple risk factors that the company believes it will need to take cognizance of and manage. Concerns such as an unfavourable tax structure, infrastructure bottle-necks, retaining talent, and unprecedented natural and man-made disasters & political/social turmoil which may affect our business, remain. However, these are threats faced by the entire ecosystem. With superior methodologies and improved processes and systems, the company is well positioned to lead a high growth path. The management team continuously assesses the operations and operating environment to identify potential risks and take meaningful mitigation actions. |

## OUTLOOK

InfoBeans fundamental vision is constant, responsible and sustainable growth. To remain relevant in the current competitive industry, growth consistency is a must. Our long term plan is to accomplish this through a good mix of organic and inorganic means and methods.

### Organic

Expanding our service offerings, deepening our relationship and expanding our business with existing clients, landing into new enterprise clients with strong balance sheets who have long term needs for leading edge cloud solutions with Salesforce and ServiceNow, Automation, Digital Transformation and AI/ML services, and invest in building a very strong engineering team to deliver the best solutions and creating a happy workplace.

### In-organic

Additionally, InfoBeans has a well-defined inorganic growth strategy in place, backed by surplus cash reserves and a strong desire to deliver on the benchmark of growth we have set for ourselves.

Despite headwinds like geopolitics, macroeconomic fluctuations, supply chain disruptions, and the pandemic's aftermath, we at InfoBeans are optimistic about our ability to generate decent growth and remain agile for the foreseeable future. The demand for digital transformation is robust for the next 5 years and we are well-positioned to deliver faster growth in the coming years.

## CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of InfoBeans Technologies Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of InfoBeans Technologies Limited's Annual Report, FY2022.

# NOTICE

Notice is hereby given that the 12th Annual General Meeting (AGM) of the Members of **InfoBeans Technologies Limited** will be held on Friday, 22nd July, 2022 at 04:00 p.m. through Video Conferencing /Other Audio Visual Means (VC) to transact following business.

## ORDINARY BUSINESS

### Item No. 01 – Adoption of Financial Statements

1. To receive, consider and adopt

a). the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon and

b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Report of the Auditors thereon.

### Item No. 02- Re-appointment of Mr. Avinash Sethi as a Director

To appoint a director in place of Mr. Avinash Sethi (DIN:01548292), who retires by rotation and being eligible seek re-appointment.

### Item No. 03- Declaration of Dividend

To declare a final dividend at the rate of ₹ 1 (One) per equity share capital of the company for the year ended 31st March, 2022.

### Item No. 04- Appointment of Joint Statutory Auditor

To appoint M/s S R B C & CO LLP as Joint Statutory Auditors of the company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 12th Annual General Meeting of the company held this year in 2022 until the conclusion of the 17th Annual General Meeting of the company to be held in the year 2027 and to authorize the Board of Directors of the company to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), M/s S R B C & CO LLP (FRN No. 324982E/E300003) be and is hereby appointed as one of the Joint Statutory Auditor of the Company, to hold the office from the conclusion of the 12th Annual General Meeting held this year in 2022 until the conclusion of the 17th Annual General Meeting of the Company to be held in the year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Joint Statutory Auditors.

## SPECIAL BUSINESS

### Item No. 05- Approval of the amendment of ESOP (Employee Stock Option Plan), 2022

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**Resolved That** in accordance with the applicable provisions of the Companies Act, 2013 or Companies (Share Capital and Debentures) Rules, 2014 or any amendments thereto, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015 and the guideline by any other relevant statutory/regulatory authorities and the provisions of the Memorandum and Articles of Association of the Company, the consent of the shareholders be and is hereby accorded to amend the existing( ESOP Plan, 2022), scheme terms and conditions as detailed in the explanatory statement thereto."

"**Further Resolved That** Mr. Avinash Sethi, Director (DIN 01548292) & CFO of the company be and is hereby authorized to submit the copy of the amended ESOP Scheme to any regulatory authority and to file necessary forms with the Registrar of Companies, Gwalior (M.P.) and to do all such acts, deeds and things as may be necessary or incidental to give effect to this resolution."

### Item No. 06- Re-appointment of Mr. Sumer Bahadur Singh as an Independent Director

To consider and if thought fit, to pass the following resolution as a **special resolution:**

**"Resolved That** pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, read with Schedule IV of the Act and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee, and that of the Board, Mr. Sumer Bahadur Singh (DIN: 07514667), be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of five years with effect from 22nd December, 2021 up to 21st December, 2026."

"**Resolved Further That** Mr. Avinash Sethi, Director (DIN 01548292) & CFO of the company be and are hereby authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Sumer Bahadur Singh (DIN: 07514667) as an Independent Director of the Company."

**InfoBeans Technologies Limited**
CIN: L72200MP2011PLC025622
Crystal IT Park, STP-I 2nd Floor,
Ring Road, Indore-452 001
Telephone: 0731- 7162102;
Investor.relations@infobeans.com
**Date:** 27th June, 2022

By order of the Board
**InfoBeans Technologies Limited**

Sd/-
**Surbhi Jain**
Company Secretary & Compliance Officer

# NOTES:

1. Pursuant to the General Circulars 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

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

3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

4. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email to investor.relations@infobeans.com.

5. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 22nd July, 2022. Members seeking to inspect such documents can send an email to investor.relations@infobeans.com

6. Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP)

7. Members may note that the Board, at its meeting held on 27th April, 2022, has recommended a final dividend of ₹ 1 per share. The record date for the purpose of final dividend for fiscal 2022 is 15th July, 2022. The final dividend, once approved by the members in the ensuing AGM, will be paid post AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

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

### A. FOR RESIDENT SHAREHOLDERS,

Taxes shall be deducted at source under Section 194 of the Act at 10% on the amount of dividend, where shareholders have registered their Permanent Account Number (PAN) with Depositories (for shares held in demat form) or with the Company/Link Intime India Private Limited, the Registrar & Transfer Agent of the Company (RTA) (for shares held in physical form). Kindly note that the tax shall be deducted at the rate of 20% in the following cases:

- the Shareholders do not have PAN or have not registered their valid PAN as mentioned above;
- the Shareholders have not linked their Aadhaar with their PAN within prescribed timeline rendering the PAN as invalid;

A Self –Declaration has to be submitted to avoid deduction of tax at higher rate of 20%.

**i. Resident Individuals:**

No tax shall be deducted on the dividend payable to a resident individual if:

a) Total dividend amount to be received by them during the Financial Year (FY) 2021-22 does not exceed ₹ 5,000; or

b) The Shareholder provides duly filled Form 15G (applicable to individual)/Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met and the form is complete in all the aspects. Formats of Form 15G and 15H are enclosed herewith. Please note that PAN is mandatory for providing 15G/15H forms.

**ii. Resident Non-Individuals:**

No tax shall be deducted on the dividend payable to the **resident non-individuals viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, Government (Central/State Government) etc**., where they provide the details and documents as per **Annexure – 1** (Self- Declaration).

## B. FOR NON-RESIDENT SHAREHOLDERS:

i. **Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII) category Shareholders**, taxes shall be deducted at source under Section 196D of the Act, at 20% on the amount of dividend payable. Taxes may be deducted as per beneficial rate of the relevant Double Tax Avoidance Agreement (Treaty) between India and the country of tax residence of the FPI/FII, as per Section 90(2) of the Act, subject to conditions, if any mentioned in the SEBI Registration Certificate as FII/FPI and related documents as prescribed from Serial number 1 to 4 under the Para "For Other Non-Resident Shareholders" mentioned below.

ii. **For other Non-Resident Shareholders**, taxes are required to be deducted in accordance with the provisions of Section 195 of the Act, at the rates in force. Accordingly, as per the current prevailing provisions, the tax shall be deducted at the rate of 20% on the amount of dividend payable. However, as per Section 90(2) of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (Tax Treaty) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail a lower rate of deduction of tax at source under an applicable Tax Treaty, such non-resident shareholders will have to provide the following:

a) Self-attested copy of the PAN allotted by the Indian Income Tax authorities;

b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident for FY 2021-22. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.

c) Self-declaration in Form 10F (attached herewith) for FY 2021-22 if all the details required in this form are not mentioned in the TRC;

d) Self-declaration in **Annexure - 2** (attached herewith) by the non-resident shareholder for FY 2021-22.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Act, we request you to provide the above-mentioned details and documents as applicable to you on or before Saturday, 23rd July, 2022. The final dividend will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by the respective shareholders as applicable to them and being found satisfactory.

The rate at which taxes are to be deducted at source based on the category of shareholders are mentioned hereunder:

| Shareholder Category | Rate of TDS |
|---|---|
| **Resident Shareholders (Individuals)** | |
| Shareholders providing Form 15G/15H | **NIL** |
| If Dividend income < ₹ 5,000 | **NIL** |
| If Dividend income > ₹ 5,000 | - **10%** in case where PAN is provided/available<br>- **20%**, in other cases where PAN is not provided/not available |
| **Resident Shareholders (Non-Individuals)** | |
| Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, Government (Central/State Government) etc., | **NIL** |
| **Non – Resident shareholders** | |
| Non-Resident Shareholders **(Including investments made under FPI/FII route)** | **20% or lower rate** as mentioned in Tax Treaty, if the applicable details/documents are satisfactorily provided as aforementioned |

## NOTES:

i. All the above referred tax rates shall be duly enhanced by the applicable surcharge and cess.

ii. Individual shareholders are requested to ensure Aadhaar number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhaar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20%. In case, your PAN and Aadhaar are not linked, you may click on the weblink to link your PAN with Aadhaar: https://eportal.incometax.gov.in/iec/foservices/#/pre-login/bl-link-aadhaar

iii. TDS to be deducted at higher rate in case of non-filers of Return of Income (Section 206AB):

The Finance Act, 2021, has inter alia introduced special provisions vide Sections 206AB of the Act, which would be effective from 1st July, 2021. Accordingly, tax at higher of the following rates would be deducted from the amount paid/credited to 'specified person':

(a) At twice the rate specified in the relevant provision of the Act; or

(b) At twice the rate or rates in force; or

(c) At the rate of 5%.

**'Specified person'** means a person who has:

- not filed the returns of income for both of the two assessment years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under Section139(1) has expired and

- subjected to tax deduction/collection at source in aggregate amounting to ₹ 50,000 or more in each of such two immediate previous years.

A Non-Resident who does not have a permanent establishment in India is excluded from the scope of a specified person.

iv. Shareholders may provide Nil/lower withholding tax certificate issued by the Income Tax department under Section 197 of the Act and valid for FY 2021-22. In such cases, TDS will be deductible as per the rates stated in the certificate.

v. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules. No declaration will be accepted after Company has filed its TDS return in accordance with due date prescribed by law.

vi. Please also note that in case the Shareholder has multiple accounts under different category/status, then the higher rate of tax as applicable to the category/status shall be considered on his entire holding in different accounts.

Kindly note that the aforementioned documents are required to be submitted to our RTA at its dedicated web link at https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html or send the scanned copies of the documents at the email address rnt.helpdesk@linkintime.co.in **on or before Saturday, 23rd July, 2022 5:00 p.m. (IST)** in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate applicable. Kindly note that incomplete and/or unsigned forms, declarations and documents will not be considered by the Company for granting any exemption.

**No communication on the tax determination/deduction in respect of the final dividend shall be considered/entertained post Saturday, 23rd July, 2022 5:00 p.m. (IST).** It may be further noted that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income with the Tax Authorities and claim an appropriate refund, if eligible.

**No claim shall lie against the Company for such taxes deducted.** The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the e-filing website of the Income Tax department of India at https://www.incometax.gov.in/iec/foportal

9. Members are requested to address all correspondence, including dividend-related matters, to Link Intime India Pvt. Ltd, RTA , Unit: InfoBeans Technologies Ltd, C 101, 247 Park, L B S Marg, Vikhroli (West) Mumbai,400083.

10. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at investor.relations@infobeans.com. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF rules.

11. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the Central Depository Services (India) Limited . Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed M. Maheshwari & Associates, Practicing Company Secretaries, as Scrutinizers to scrutinize the e-voting in a fair and transparent manner.

12. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

13. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013

14. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on 15th July, 2022, may cast their votes electronically. The e-voting period commences on Tuesday, 19th July, 2022 (9:00 a.m. IST) and ends on Thursday, 21st July, 2022 (5:00 p.m. IST). The e-voting module will be disabled by CDSL thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on 15th July, 2022. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

15. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who 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 the e-voting system during the AGM

16. Any person holding shares in physical form, and non-individual shareholders who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. 15th July, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with CDSL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. 15th July, 2022, may follow steps mentioned in the Notice under 'Instructions for e-voting.'

17. In compliance with the Circulars, the Integrated Annual Report 2021-22, the Notice of the 12th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

18. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Link Intime India Pvt. Ltd at rnt.helpdesk@linkintime.co.in to receive copies of the Integrated Annual Report 2021-22 in electronic mode.

19. Members may also note that the Notice of the 12th AGM and the Integrated Annual Report 2021-22 will also be available on the Company's website, https://www.infobeans.com/investors/ , websites of the stock exchange, NSE, at www.nseindia.com, respectively, and on the website of CDSL.

20. SEBI has mandated the submission of PAN by every participant in the securities market. 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

21. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and RTA, and will also be displayed on the Company's website, www.infobeans.com

22. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

**InfoBeans Technologies Limited**
CIN: L72200MP2011PLC025622
Crystal IT Park, STP-I 2nd Floor,
Ring Road, Indore-452 001
Telephone: 0731- 7162102;
Investor.relations@infobeans.com
**Date:** 27th June, 2022

By order of the Board
**InfoBeans Technologies Limited**

Sd/-
**Surbhi Jain**
Company Secretary & Compliance Officer

# ANNEXURE TO THE NOTICE

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**Item No.4: To appoint M/s S R B C & CO LLP as Joint Statutory Auditors of the company:**

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s S R B C & CO LLP, Chartered Accountants, as the Joint Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 17th AGM. The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s S R B C & CO LLP to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s S R B C & CO LLP (FRN 324982E/E300003), ("the Audit Firm"), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI"). The Audit Firm was registered with ICAI in the year 2002 and is a limited liability partnership firm ("LLP") incorporated in India. The Audit Firm is part of S.R. Batliboi & Affiliates network of audit firms, which is registered with ICAI. It has registered office in Kolkata and has branch offices in various cities in India.It is primarily engaged in providing audit and assurance services to its clients and has valid Peer Review Certificate."

**Item No.5: Approval of the amendment of the ESOP (Employee Stock Option Plan) 2022:**

The members apprised that the existing ESOP (Employee Stock Option Plan), 2022 of the company which was initially approved by its Shareholders by way of Special Resolution on 11th June, 2022 needs to be changed by changing the vesting schedule and vesting conditions and the exercise price and the remaining the terms and conditions of the Scheme/ESOP, 2022 Plan will remain unchanged.

As per SEBI (SBEB) Regulations, the necessary amendments and variations to the ESOP Scheme need to be approved by the shareholders of the Company by way of a special resolution and accordingly the same is being placed before the shareholders for their approval. The amended ESOP Scheme shall be applicable from the date of passing of this resolution.

The Nomination & Remuneration Committee and Board of Directors vide circular resolution passed on 27th June, 2022 has approved the amendments proposed in the Scheme. The salient features of the ESOP Scheme of the Company are given in the table herein below:

**Main features of the scheme are:**

The main features of the ESOP 2022 are as under:

**a) Brief description of the Plan:**

The Company proposes to introduce the ESOP 2022 with primarily with a view to attract, retain, incentivize and motivate the existing employees of the Company and its subsidiaries, employees joining the Company and its subsidiaries, and its Directors that would lead to higher corporate growth. The Plan contemplates grant of options to the eligible employees (including Directors), as may be determined in due compliance of SEBI SBEB Regulations and provisions of the Plan. After vesting of options, the eligible employees earn a right (but not obligation) to exercise the vested options within the exercised period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee ("Committee") of the Company shall act as Compensation Committee for administration of ESOP 2022.All questions of interpretation of the ESOP 2022 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2022.

**b) Total number of Options to be granted:**

The total number of options to be granted under ESOP 2022 shall not exceed 600,000 (Six lakhs) options.

Each option when exercised would be converted into one Equity Share of ₹ 10/- (Rupees Ten) each fully paid-up. The SEBI Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under ESOP 2022 remain the same after any such corporate action. Accordingly, if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 600,000 (Six lakh) shall be deemed to be increased to the extent of such additional options issued.

**c) Identification of classes of employees entitled to participate in ESOP2022:**

All the permanent employees (including a Director, whether whole time or not but excluding independent directors) of the Company and its subsidiaries, working in India or outside India shall be eligible to participate in the Plan. Provided however that the following persons shall not be eligible to participate in ESOP 2022:

a) an employee who is a Promoter or belongs to the Promoter Group as defined in the SEBI Regulations; or

b) a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Equity Shares of the Company; or

c) Independent Directors.

d) Requirements of vesting and period of vesting

**d) Requirement of vesting and period of vesting:**
Options granted under ESOP 2022 shall vest not earlier than 1 (one) and not later than a maximum of **five years** from the date of grant of such Options as may be determined by the Committee. The Committee may extend, or otherwise vary the vesting period from time to time, in accordance with the applicable law and in the interest of the option grantee.

The vesting dates in respect of the options granted under the Plan shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of options granted to an employee.

Options shall vest essentially based on continuation of employment and apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

**e) Maximum period within which the options shall be vested:**
All the options granted on any date shall vest not later than a maximum of **5 (five) years** from the date of grant of options as may be determined by the Committee.

**f) Exercise price or pricing formula:**
Exercise price shall be such price being not less than the face value of the equity shares of the Company as may be determined by the Committee.

**g) Exercise period and the process of Exercise:**
The Exercise period would commence from the date of vesting and will expire on completion 6 (six) months from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

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

**h) Appraisal process for determining the eligibility of employees under ESOP 2022:**
The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

**i) Maximum number of Options to be issued per employee and in aggregate:**
The number of options that may be granted to any specific employee of the Company under the Plan, in any financial year and in aggregate under the ESOP2022 shall be less than 20,000 options.

**j) Maximum quantum of benefits to be provided per employee under the ESOP2022:**
The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the shares as on the date of exercise of options.

**k) Route of Plan Implementation:**
The Plan shall be implemented and administered directly by the Company. In case Company wishes otherwise, it may be intimated to the members in due course as per applicable laws.

**l) Source of acquisition of shares under the Plan:**
The Plan contemplates fresh/new issue of shares by the Company

**m) Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:**
This is currently not contemplated under the present Plan.

**n) Maximum percentage of secondary acquisition:**
This is not relevant under the present Plan.

**o) Accounting and Disclosure Policies:**
The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein.

**p) Method of option valuation:**
The Company will adopt the intrinsic value method of valuation of options. Notwithstanding the above, the Company may adopt any other method as may be required under prevailing applicable laws.

**q) Declaration:**
In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share ("EPS") of the company shall also be disclosed in the Directors' report.

## DETAILS OF THE VARIATIONS IN THE SCHEME

The details of the major variations in the Scheme are as under:

| Clause No. | New Provision | Existing Provision |
|---|---|---|
| 6.1 | Options granted under ESOP 2022 would vest not before one year and not later than five years from the date of grant of such Options | Options granted under ESOP 2022 shall vest after one year from the date of grant of such Options. |

| | | |
|---|---|---|
| 6.3 | The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document(s) given to the Option Grantee at the time of grant of Options. | 6.3 Subject to employees continued employment with the Company, the options granted under the scheme shall vest as per the following schedule<br>I. 25% of the Options at the end of the First year from the Grant Date<br>II. 25% of the Options at the end of the Second year from the Grant Date<br>III. 25% of the Options at the end of the Third year from the Grant Date<br>IV. 25% of the Options at the end of the Fourth year from the Grant Date<br>** The options to be granted in the successive years may vary depending on the performance of the employee/team member at the discretion of the committee. |
| 7.1 (a) | (a) Exercise Price shall be such price being not less than the face value of the Equity Shares of the Company as may be determined by the Compensation Committee from time to time. | (a) Exercise Price shall be the "Fair Market Value", which is the Closing market price of the Equity Shares of the Company as on the date of the Grant date. |

**Item No. 06: Re-appointment of Mr. Sumer Bahadur Singh as an Independent Director-**

Mr. Sumer Bahadur Singh (DIN: 07514667) was appointed as an Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on 25th September, 2017 for a tenure of 05 years. As per the provisions of Section 149 of the Companies Act, 2013 and the Rules made thereunder, an Independent Director can be reappointed for a second term of maximum 5 (five) years by obtaining approval of the shareholders by a way of special resolution and on disclosure of such reappointment in the Board's Report. Schedule IV of the Companies Act, 2013 provides for performance evaluation by the Board before extending the term of Independent Director. Mr. Sumer Bahadur Singh has given the declaration to the Board that he meets the criteria of Independence as provided under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations and intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules 2014, to the effect that she is not disqualified under Sub-section(2) of Section 164 of the Companies Act 2013. In the opinion of the Board, Mr. Sumer Bahadur Singh fulfills the conditions provided in the Act and the Rules made thereunder for reappointment as Independent Director and is independent of the management. Brief background of Mr. Sumer Bahadur Singh is exhibited in this document separately.

None of the Directors/Key Managerial Personnel or their relatives except Mr. Sumer Bahadur Singh is concerned or interested financially or otherwise is in the said Resolution.

Disclosure relating to a Director seeking re-appointment as mentioned pursuant to the provisions of the Act and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and applicable Secretarial Standards.

| Sr. No. | Name | Sumer Bahadur Singh |
|---|---|---|
| 01 | DIN | 07514667 |
| 02 | Date of Birth | 18/10/1951 |
| 03 | Date of first appointment | 22/12/2016 |
| 04 | Qualification | Honorary Doctorate of Literature in Education from De Montfort<br>University in UK. |
| 05 | Directorships held in other public companies (excluding foreign companies and Section 8 companies) | - |

| | | |
|---|---|---|
| 06 | Memberships/ Chairmanships of Committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee | - |
| 07 | Relationship between Directors, Manager and other Key Managerial Personnel inter-se | - |
| 08 | Shareholding of the Company | - |

**InfoBeans Technologies Limited**
CIN: L72200MP2011PLC025622
Crystal IT Park, STP-I 2nd Floor,
Ring Road, Indore-452 001
Telephone: 0731- 7162102;
Investor.relations@infobeans.com
**Date:** 27th June, 2022

By order of the Board
**InfoBeans Technologies Limited**

Sd/-
**Surbhi Jain**
Company Secretary & Compliance Officer

## ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LODR REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS.

| Name of Director | Avinash Sethi |
|---|---|
| DIN | 01548292 |
| Date of Birth | 19/02/1972 |
| Date of First Appointment | 18/03/2011 |
| Qualification | Graduate in Electrical Engineering from SGSITS, Indore, India and MBA from IIM, Indore |
| Expertise in specific area | - Responsible for inorganic growth |
| - Penchant for exploring uncharted territories | |
| - Strong hold in Finance and HR | |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies | Nil |
| Memberships/ Chairmanships of Committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee) | Nil |
| Relationship between Directors, Manager and other Key Managerial Personnel inter-se | Nil |
| Shareholding in the Company | 24.6% |
| Attendance at Board meetings in FY 2021-22 | Present in all the Board Meetings held during the year |

## THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 19th July, 2022 at 09:00 a.m. and ends on 21st July, 2022 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15th July, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December , 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings f**or Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL Depository** | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.<br><br>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.<br><br>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration<br><br>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

| | |
|---|---|
| Individual Shareholders holding securities in demat mode with **NSDL Depository** | 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br><br>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)** | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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. |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| **Login type** | **Helpdesk details** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with **NSDL** | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

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

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

6) If you are a first-time user follow the steps given below:

| | **For Physical shareholders and other than individual shareholders holding shares in Demat.** |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details **OR** Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

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

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

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

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

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

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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor.relations@infobeans.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. 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.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **07 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **07 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/ EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective **Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository**.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

# DIRECTOR'S REPORT

Your Board of Directors hereby presents the report on the business and operations of your Company along with the audited financial statement for the financial year ended on 31st March, 2022. The consolidated performance of the company and its subsidiaries has been referred to wherever required.

## 1. FINANCIAL RESULTS

Except per equity share data

(₹ In Crores)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Total Revenue | 166 | 125 | 289 | 196 |
| Total Expenses | 134 | 88 | 229 | 161 |
| Profit or Loss before Tax | 31 | 37 | 60 | 35 |
| Less: | | | | |
| 1. Current Tax | 6 | 6 | 9 | 6 |
| 2. Deferred Tax | (2) | (3) | (4) | (8) |
| 3. Earlier Year Tax | - | 0 | - | 0 |
| Profit or Loss After Tax | 28 | 34 | 55 | 37 |
| Earning Per Equity Share (EPS) | | | | |
| (1) Basic | 11.51 | 14.15 | 22.81 | 15.34 |
| (2) Diluted | 11.41 | 13.97 | 22.62 | 15.16 |

## 2. COMPANY'S PERFORMANCE & REVIEW

### Consolidated Performance

- **Total revenue (including other income) at ₹ 288.98 Crores,** for year 2022 as compared to **₹ 196.29 Crores** in financial year 2021, **YoY growth of 47%**
- **Profit After Tax at ₹ 55.04 Crores** in financial year 2022 as against **₹ 36.83 Crores** in financial year 2021, indicates a **significant growth of 49%**
- **EBITDA stood at ₹ 85 Crores** in financial year 2022 as against **₹ 54 Crores** in financial year 2021, **jump of 57% over previous year**.

### Standalone Performance

- **Total Revenue (including other income) at ₹ 165.60 Crore** in financial year 2022, as against **₹ 125.46 Crore** in financial year 2021, **YoY growth of 31.99%**.
- **Profit After Tax at ₹ 33.98 Crore** in financial year 2022 as against **₹ 27.77 Crore** in financial year 2021, **significant growth of 22.36%**
- **EBITDA stood at ₹ 39.79 Crore** in financial year 2022 as against **₹ 43.93 Crore** in financial year 2021, showing **decline of 10.4 %**

### Consolidated Financial Statements

- As per Regulation 33 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations,2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued there under, the Consolidated Financial Statements of the Company for the financial year 2021-22 have been prepared in compliance with applicable Accounting Standards and on the basis of audited financial statements of the Company, its subsidiaries and associate companies, as approved by the respective Board of Directors.
- The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

## 3. PANDEMIC COVID-19

At InfoBeans we continues our fight against waves of Covid-19 pandemic, our priority remain the safety and well-being of employee and considering that during the fiscal year InfoBeans employees continue to work from home. We have also set up exclusive COVID-19 care helpline committees, tied up with the COVID-19 testing laboratories, provide medical support to our employees and their extended families, set up vaccination center and many more things whose details has been discussed in the Management Discussion & Analysis and Corporate Social Responsibility Report attached herewith and forming part of this Annual Report. At InfoBeans, even amid an unprecedented global crisis, we continue to balance our business with exemplary governance and responsiveness to the needs of all our stakeholders.

## 4. SUBSIDIARIES

The Company has following subsidiary companies namely InfoBeans INC, InfoBeans Technologies DMCC, InfoBeans Technologies Europe Gmbh and Eternus Solutions Pvt Ltd.

During the year, the Step Down Subsidiary, Philosophie Inc has been merged into InfoBeans INC. And also acquired Eternus Solutions Pvt Ltd by way of acquiring 100% equity in it. The Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as **Annexure E** to the Board's report.

The statement also provides the details of performance, financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on our website www.infobeans.com

## 5. DIVIDEND

Based on the company's performance, the Board of Directors have proposed and declared a final dividend @ ₹ 1 per equity share for the year 2021-22.

## 6. CHANGE IN CONTROL AND NATURE OF BUSINESS :

There is no change in control and nature of business activities during the period under review.

## 7. BUSINESS TRANSFER

There is no transfer of business during the period under review.

## 8. TRANSFER TO RESERVES

"The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review."

## 9. SHARE CAPITAL:

There was a change in Equity Share Capital of the Company due to issuance of ESOP's during the year by way of issuance of 1,55,389 equity shares during the year. The paid up Equity Share Capital of the Company as on 31st March, 2022 was ₹ 2,417.09 Lakhs divided into 241.70 Lakhs equity shares of ₹ 10/- each.

## 10. BUYBACK OF SHARES

During the year company the Board at its meeting held on 26th April, 2021 has announced the Buy Back of 4,31,717 (four lakhs thirty one thousand seven hundred and seventeen only) fully paid-up equity shares at a price of ₹ 232.00 for an aggregate maximum amount not exceeding ₹ 10,01,58,344 (Rupees ten crores one lakh fifty eight thousand three hundred and forty four only) excluding the transaction costs. The buyback was offered to all eligible equity shareholders of the Company including the promoters and promoters group through the tender offer under the Securities and Exchange Board of India (Buy-back of securities) regulations, 2018, as amended. None of the equity shares were bought back in the Buyback offer as there were no valid bids were received.

## 11. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

The Board, at its meeting held on 27th April, 2022, approved the allotment of 79,801 equity shares under ESOP, 2016 to the employees of the company and this results into the increase of the Paid up shares capital, which is currently, ₹ 242507900.

## 12. MERGER AND ACQUISITION

On 28th October, 2021, the company acquired Eternus Solutions Pvt Ltd, a platinum consulting partner of Salesforce in an all cash deal. It provides consulting and implementation services focusing on the Customer Relationship Management (CRM) side. Eternus Solutions has an extensive client base in North America and the Middle East and has established itself as a leading digital transformation services provider for large and mid-sized enterprises. The company has a diverse 250+ member team of consultants, engineers and strategists. The acquisition is a right fit in InfoBeans growth strategy by bolstering its presence in the Salesforce ecosystem

## 13. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis forms an integral part of this report and is annexed as **Annexure – A** which gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses.

## 14. REPORT ON CORPORATE GOVERNANCE

Your company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best corporate governance practices.

The Board considers itself as trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The company has set itself the objective of expanding its capacities as a part of growth strategy. It is committed to high levels of ethics and integrity in all its business dealings that avoids conflict of interest. In order to conduct business with these principles the company has created a corporate structure based on business needs and maintains high degree of transparency through regular disclosures with focus on adequate control systems.

However the provisions of Regulation 15 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 providing a separate report on corporate governance under Regulation 34(3) read with para C of Schedule V are set out in the **Annexure B** to this report.

## 15. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

a) In the preparation of the annual accounts for the year ended 31st March, 2022 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;

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

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 internal financial controls are adequate and are operating effectively; and

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

## 16. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-2021.

## 17. HUMAN RESOURCES

Your Company is committed towards creation of opportunities for its employees that help attract, retain and develop a diverse workforce. Your Company lays due importance to conducive work culture for its employees. To reinforce core values and belief of the Company, various policies for employees' empowerment have been framed to enrich their professional, personal and social life. In addition to above, Company has also laid down Code of Conduct for Directors and Senior Management Personnel and Whistle Blower Policy. Company has also laid down a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Constituted Internal Complaints Committee to redress the complaints.

There were no complaints received during the year (Previous Year: Nil).

## 18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the following Directors, Independent & Non-Independent serve on the Board of the company. In compliance with the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (LODR) Regulation 2015, the composition of Board of Directors and Key Managerial Personnel are as follows:-

| S.No. | Board of Directors | DIN/ PAN | Designation |
|---|---|---|---|
| 1. | Siddharth Sethi | 01548305 | Managing Director |
| 2. | Mitesh Bohra | 01567885 | Executive Director |
| 3. | Avinash Sethi | 01548292 | Director cum Chief Financial Officer |
| 4. | Sumer Bahadur Singh | 07514667 | Non-Executive Independent Director |
| 5. | Santosh Muchhal | 00645172 | Non-Executive Independent Director |
| 6. | Shilpa Saboo | 06454413 | Non-Executive Independent Director |

The Company also consists of the following Key Managerial Personnel:

| S.No. | Board of Directors | DIN/ PAN | Designation |
|---|---|---|---|
| 1. | Avinash Sethi | 01548292 | Director & Chief Financial Officer |
| 2. | Surbhi Jain | ASBPJ3729J | Company Secretary |

## 19. NUMBER OF BOARD MEETINGS

Seven meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

## 20. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the Directors and on the basis of on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The evaluation parameters and the process have been explained in the Corporate governance report.

## 21. NOMINATION AND REMUNERATION POLICY:

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on: https://www.Infobeans.com

## 22. DECLARATION BY INDEPENDENT DIRECTORS:

The company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 23. BUSINESS RESPONSIBILITY REPORT(BRR)

The Company is pleased to inform that it is among the top 1000 companies as per the market capitalization criteria at the BSE Limited and/or National Stock Exchange of India Limited as on 31st March, 2022. Accordingly, pursuant to Securities and Exchange Board of India (herein after referred as 'SEBI') Circular dated 4th November, 2015 and Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, the Company presents its Business Responsibility Report for the financial year ended on 31st March, 2022. BRR forms part of this Report.

## 24. AUDITOR AND AUDITOR'S REPORT:

### Statutory Auditors

At the 10th Annual General Meeting held on 24th August, 2020 the members approved appointment of M/s Basant Jain & Co. Chartered Accountants (FRN 005128C) as Statutory Auditors of the company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 15th AGM, to be held in the calendar year 2025. The Auditor's Report for the fiscal year 2021-22 does not contain any qualification, reservation or adverse mark. The Auditors report is enclosed with financial statements in this Annual Report for your kind perusal and information.

In the Board Meeting dated 27th June, 2022, the Board of Directors of the company recommended and approve the appointment of S R B C & CO LLP as Joint Statutory Auditor, subject to the approval of the shareholders in the upcoming Annual General Meeting of the company.

### Internal Auditors

The Board of Directors on the recommendations of the Audit Committee have reappointed M/s. Jain Ritesh & Co. Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2022-23.

## 25. SECRETARIAL AUDITOR'S REPORT:

The Board has appointed CS Manish Maheshwari, Proprietor of M. Maheshwari & Associates Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2021-22, The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed herewith marked as **Annexure D** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## 26. COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following Five(5) committees as on 31.03.2022:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Apart from the aforesaid committees under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 the Company has also constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

The composition of all Committees has been stated under Corporate Governance Report forms an integral part of Annual Report.

## 27. PARTICULARS OF LOANS, GUARANTEES OR AND INVESTMENTS:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Financial Statement (Please refer to Note No. 11 &14 to the Financial Statement).

## 28. DISCLOSURE REQUIREMENTS:

As per the Provisions of the SEBI (LODR) Regulations, 2015 entered into with the stock exchanges, corporate governance report with auditor's certificate thereon and management discussion and analysis are attached, which form part of this report. As per Regulation 43A of the SEBI Listing Regulations, the Dividend Distribution Policy forms part of Board Report and is uploaded on the Company's website: https://www.Infobeans.com

Details of the familiarization programme of the independent directors are available on the website of the Company. The link for the same is:

https://www.infobeans.com/wp-content/uploads/2015/12/Familiarization-Programme-of-Independent-Director.pdf

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act; the whistle blowing Policy is available on the company's website at :

https://www.infobeans.com/wp-content/uploads/2015/12/Whistle-Blower-Policy.pdf

## 29. RELATED PARTY TRANSACTIONS

During the financial year 2021-22, the Company entered into transactions with related parties as defined under Section 2 (76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and also in accordance with the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations.

Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated and published on the website of the Company, https://www.infobeans.com/wp-content/uploads/2015/12/Draft-Related-Party-Transactions-1-7-1.pdf. The policy is in accordance with the provisions of Companies Act, 2013 read with the Rules issued there under and the Listing Regulations.

Prior omnibus approvals are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and on arm's length basis in accordance with the provisions of Companies Act, 2013 read with the Rules issued there under and the Listing Regulations. The details of the related party transactions as per Indian Accounting Standards (Ind AS) - 24 are set out in Note 42 to the Standalone Financial Statements of the Company.

The Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure G** to this report.

## 30. PUBLIC DEPOSITS:

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2021. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

Further, your company has filed form DPT-3 for the Annual compliance as at 31st March, 2021 for the amount received by the company which is not considered as deposit under the purview of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) rules, 2014 as amended form time to time.

## 31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out herewith as **Annexure H** to this Report.

## 32. CORPORATE SOCIAL RESPONSIBILITY

The CSR initiatives of the Company were under the thrust areas of health & hygiene, education, water management and enhancement of vocational training.

The key objective of Kaleidoscope is to provide infrastructure support, development oriented activities and events across health and education areas, centered on schools and communities along with active employee contribution and participation.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2022 in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **Annexure I** to this report.

## 33. EMPLOYEE STOCK OPTIONS SCHEMES:

The Company established a scheme – InfoBeans Partnership Program in 2016 (ESOP IPP, 2016) for granting stock options to the eligible employees, with a view to attracting and retaining the best talent and encouraging employees to align individual performance with Company's objectives, and promoting increased participation by them in growth of the Company. Each option representing one equity share of the Company. The scheme is governed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines issued in 1999 by SEBI and as amended from time to time. The vesting period of stock options, granted during the year shall be five years. The stock options shall be exercisable within six months from the date of vesting. As per the guidelines issued by the SEBI, the excess of the market price of the underlying equity shares as on the date of grant of option over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

The Shareholders of the company in the meeting held on 22nd July, 2016 approved the allocation of 1,00,000 stock options (Revised 3,50,000 options due to bonus) to the eligible employees of the company and its subsidiaries. The details of the 2015 plan, including reference, and the requirements specified under Regulations 14 of SEBI (Share Based Employee Benefits) Regulations, 2014. The details of the employee stock options plan form part of the notes to account of the financial statements in this annual report. Later the no. of stock options approved by the shareholders has been increased to 6,00,000 (Six Lacs) subsequently by passing the shareholders resolution as on 19th March, 2021 by Postal Ballot. During the year company has allotted 1,55,389 equity shares.

## 34. ANNUAL RETURN:

In accordance with the requirements of the Companies Act, 2013 the annual return in the prescribed format is available at https://www.infobeans.com/wp-content/uploads/2022/06/Form-MGT-7.pdf

## 35. PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Pursuant to Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is annexed herewith as "**Annexure G**".

## 36. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act; the whistle blowing Policy is available on the company's website at: https://www.infobeans.com/wp-content/uploads/2015/12/WhistleBlower-Policy.pdf

## 37. RISK MANAGEMENT:

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor & take precautionary measures in respect of the events that may pose risks for the business. The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. Composition and terms of reference of Risk Management Committee are mentioned in the Corporate Governance Report. A detailed note has been provided under the Management Discussion and Analysis, which forms part of this report.

## 38. SIGNIFICANT & MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals during the year impacting the going concern status and Company's operations in future.

## 39. PARTICULARS OF EMPLOYEES:

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment & remuneration of Management Personnel) Rules, 2014 as amended is mentioned in the **Annexure F**.

## 40. APPRECIATION

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and workers of the Company.

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

**Place:** Indore
**Date:** 27th June, 2022

# ANNEXURE-B

**Corporate Governance Report For the year 2021-2022**

In accordance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at InfoBeans Technologies Limited is as under:-

## 1. INTRODUCTION

Corporate Governance is about working ethically and finding a balance between economic and social goals. It includes the ability to function profitably while obeying laws, rules and regulations. Corporate Governance is about maximizing shareholder value legally, ethically and on a sustainable basis while ensuring fairness to every shareholder, Company's clients, employees, investors, vendor partners, government of the land and the community. Thus corporate governance is the reflection of Company's culture, policies and its relationship with the stakeholders and its commitment to values. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of Directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The Companies Act, 2013 emphasizes self-regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant endeavor to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

## 2. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

InfoBeans Technologies Limited looks upon good Corporate Governance practices as a key driver of sustainable corporate growth and long-term stakeholder value creation. It is the application of best management practices, compliance of laws & adherence to ethical standards to achieve the Company's objective of enhancing stakeholders' value and discharge of social responsibility. Good Corporate Governance Practices enable a Company to attract high quality financial and human capital. In turn these resources are leveraged to maximize long-term stakeholder value while preserving the interest of multiple stakeholders including the society at large. In the conduct of your Company's business and its dealings, it abides by the principle of honesty, openness and doing what is right which means taking business decisions and acting in a way that is ethical and is in compliances with the applicable legislation. The Company's corporate governance philosophy has been further strengthened through the InfoBeans Technologies Limited's Code of Conduct for Board and Senior personnel and Code of Conduct under Insider Trading Regulations.

## 3. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the overall management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board of Directors of the Company is headed by the Mr. Siddharth Sethi, Managing Director.

### A. Composition

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors and Independent Directors as required under applicable legislation. As on date of this Report, Your Company's Board comprises of Six Directors, which includes 3 Non- Executive Independent Directors, 3 Promoter Executive Director. The Executive Directors includes Managing Director, Whole time director, Director Cum Chief Financial Officer. The six member Board includes one women director as Non-executive Independent Director. The composition of the Board is in conformity with the requirements Regulation 17 of SEBI (LODR) Regulation 2015. Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI (LODR) Regulation 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned Regulation 16 and Section 149(6) of the Act.

### B. Directors Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and rich experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

| Name of Directors | Mr. Siddharth Sethi | Mr. Mitesh Bohra | Mr. Avinash Sethi | Mr. Santosh Mucchal | Mr. Sumer Bahadur Singh | Ms. Shilpa Saboo |
|---|---|---|---|---|---|---|
| DIN: | 01548305 | 01567885 | 01548292 | 00645172 | 07514667 | 06454413 |
| Date of Birth | 13/02/1975 | 28/11/1975 | 19/02/1972 | 31/03/1964 | 18/10/1951 | 13/08/1973 |
| Date of Appointment in the current term | 20th February, 2021 | 28th September, 2021 | 24th August, 2020 | 28th February, 2018 | 28th October, 2021 | 15th July, 2020 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Expertise/ Experience in specific area | Responsible for software delivery for all geographies and business development in Europe and Middle-east | Strong strategy, sales and process background | Penchant for exploring uncharted territories, Keen interest in HR & Finance | Expertise in the field of Accounts & Finance, Leadership, Sustainability & ESG, Corporate Governance, Strategy & Planning | Leadership, Corporate Governance, Strategy & Planning | Leadership, Corporate Governance, Strategy & Planning |
| Qualification | Graduate in Electrical Engineering & MBA –IIM Indore | Engineering degree in Electronics & dual MBA degrees from Columbia Business School, New York and Haas School of Business | Graduate in Electrical Engineering & MBA-IIM Indore | B.com & Chartered Accountant | Doctorates of Literature in Education | Bachelor's degree, Industrial and Production Engineering & Master of Science from University of South California |
| No. & % of Equity Share Held | 6006700 & 24.85% | 5012650 & 20.74% | 5946150 & 24.6% | - | - | - |
| List of outside Company's Directorship held including Listed Company | Gullybuy Software Private Limited & IIM INDORE ALUMNI ASSOCIATION & Eternus Solutions Pvt Ltd | Eternus Solutions Pvt Ltd | Eternus Solutions Pvt Ltd | Shriji Polymers (India) Limited & Pithampur Auto Cluster & Eternus Solutions Pvt Ltd | Safe Campus Private Limited | Tech-synergy Private Limited & Syntech BPO Services Pvt Limited |
| Chairman/ Member of the Committees of the Board of Directors of the company | Member of CSR Committee | - | Member of Audit Committee & Stakeholders Relationship Committee & Risk Management Committee | Chairman of Audit Committee, Stakeholders Relationship Committee & CSR Committee Member of Nomination & Remuneration Committee & Risk Management Committee | Chairman of Nomination & Remuneration Committee, Member of Audit Committee, Stakeholder Relationship Committee & CSR Committee & Risk Management Committee | Member of CSR Committee, Nomination & Remuneration Committee & Risk Management Committee |
| Chairman / Member of the Committees of the Board, of other Companies in which he is director | - | - | - | - | - | - |
| Directors Interse | - | - | - | - | - | - |

**C. The company has identified following skills/expertise/competencies fundamental which are taken into consideration while nominating candidates to serve on the Board.**

| | |
|---|---|
| Leadership | Leadership experience for an enterprise, resulting in a practical understanding of organization, processes, strategic planning and risk management |
| Strategy and Planning | Experience in guiding and leading management teams to make decisions in uncertain environments |
| Corporate Governance | Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, protecting shareholders interest and observing appropriate governance practices |

**D. Attendance at Board Meetings and last AGM**

During the financial year 2021-22 the board of Directors met 7 (Seven) times on, 26th April, 2021, 2nd July, 2021, 30th July, 2021, 30th August, 2021, 28th October, 2021, 2nd December, 2021, 27th January, 2022. The time gap between any two meetings did not exceed 120 (One Hundred Twenty) days.

The composition of the Board of Directors and their attendance at the meeting during the year were as follows:

| Name of Director | Position | No. of Board Meetings held | No. of Board Meetings attended | Attendance at the last AGM | Member of Board in other Companies public companies | Member of Board Committees in other Companies excluding private companies | Directorship in other listed companies |
|---|---|---|---|---|---|---|---|
| Mr. Avinash Sethi | Promoter Executive Director | 07 | 07 | Yes | 01 | - | - |
| Mr. Mitesh Bohra | Promoter Executive Director | 07 | 05 | No | 01 | - | - |
| Mr. Siddharth Sethi | Promoter Executive Director | 07 | 07 | Yes | 01 | - | - |
| Mr. Santosh Muchhal | Non-Executive Independent Director | 07 | 07 | Yes | 02 | 01 | - |
| Mr. Sumer Bahadur Singh | Non-Executive Independent Director | 07 | 04 | Yes | - | - | - |
| Ms. Shilpa Saboo | Non-Executive Independent Director | 07 | 04 | No | - | - | - |

*Video-conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

**E. Independent Directors' Meeting:**

During the year a separate meeting of the Independent Directors was held on 27th January, 2022 inter-alia to review the performance of Non-Independent Directors and the Board as whole. All the Independent Directors were present at the meeting.

**F. Familiarization Programme for Independent Directors**

In Compliance of SEBI (LODR) Regulation 2015 Company has conducted a familiarization program for Independent Directors of the Company for familiarizing with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarization programed for Independent Directors are posted on the website of the Company and can be accessed at http://www.Infobeans.com/wp-content/uploads/investors/Familarisation_ Programme.pdf

**G. Details of succession planning for Board of Directors- Company have the policy related to this:**

https://www.infobeans.com/wp-content/uploads/2019/06/Draft-Policy-on-orderly-succession-for-appointment-of-directors.pdf

**H. Declarations:**

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

## 4. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invites to join the meeting, as appropriate. The Board has currently established the following statutory and non-statutory Committees.

### A. Audit Committee

Company has constituted the qualified Audit Committee of the Company pursuant to the provision of Regulation 18 of SEBI (LODR) Regulation 2015. The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors; and oversees the financial reporting process and thus supports in better internal financial controls. It interacts with statutory, internal auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with necessary assistance and information so as to enable it to carry out its function effectively.

#### i. Composition of Audit Committee

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation 2015. All the members of the Committee have relevant experience in financial matters.

| Sr. No. | Name of Director | Category | Designation |
|---|---|---|---|
| 1. | Mr. Santosh Muchhal | Non-Executive Independent Director | Chairman |
| 2. | Mr. Sumer Bahadur Singh | Non-Executive Independent Director | Member |
| 3. | Mr. Avinash Sethi | Director & CFO | Member |

#### ii. Meeting of Audit Committee

During the Financial Year ended 31st March, 2022, Five Audit Committee Meetings were held on 26th April, 2021, 2nd July, 2021, 30th July, 2021, 28th October, 2021, 27th January, 2022. The Quorum for the Audit Committee meeting is presence of minimum two directors. The necessary quorum was present for all the meetings.

| Sr. No. | Name of Director | No. of Meetings Held | No. of Meetings attended |
|---|---|---|---|
| 1. | Mr. Santosh Muchhal | 5 | 5 |
| 2. | Mr. Sumer Bahadur Singh | 5 | 5 |
| 3. | Mr. Avinash Sethi | 5 | 5 |

#### iii. Power of Audit Committee

The power of audit committee include the following:-

- Investigating any activity within its terms of reference.
- Seeking information from any employee.
- Obtaining outside legal or other professional advice.
- Securing attendance of outsiders with relevant expertise, if it considers necessary.
- Any other matter as may be required from time to time by the Listing Agreement, Companies Act, 2013 and rules made there under and any other statutory, contractual or other regulatory requirements to be attended to by such committee.

#### iv. Roles of Audit Committee

The role of audit committee shall include the following:-

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible and suggest improvement in the overall financial reporting of the Company;
2. Recommending to the board for appointment (including reappointment and replacement), remuneration and terms of appointment of auditor of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the Annual Financial Statements and auditor's report thereon before submission to the board for approval, with particular reference to:-
   a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management
   d) Significant adjustments made in the Financial Statements arising out of audit findings
   e) Compliance with listing and other legal requirements relating to Financial Statements
   f) Disclosure of any related party transactions
   g) Discuss about Qualifications in the draft audit report, if any.
5. Reviewing with the management, the quarterly Financial Statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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 the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval of any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate deposits, loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and Risk Management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

13. Reviewing the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion 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;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors, if any;

18. Reviewing the functioning of the Whistle Blower mechanism in the case same is existing;

19. Overseeing the performance of Company's Risk Management Policy;

20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

22. Any other function as may be required from time to time by the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and rules made there under and any other statutory, contractual or other regulatory requirements to be attended to by such committee.

**v. Information to be Review by Audit Committee: The audit committee shall review the following:-**

1. Management discussion and analysis of financial condition and results of operations; Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

2. Management letters / letters of internal control weaknesses issued by the statutory auditors;

3. Internal audit reports relating to internal control weaknesses; and

4. The appointment, removal and terms of remuneration of the internal auditor;

5. Any other matter as may be required from time to time by the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and rules made there under and any other statutory, contractual or other regulatory requirements to be attended to by such committee.

**vi. Activities by the audit committee during the year.**

- Reviewed Management discussion and analysis of financial condition and results of operations; Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Discussion on Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Auditors;
- Recommended buyback of shares and reviewed the progress of the buyback till its successful completion
- Reviewed and approved related party transactions and recommended for the approval of the Board wherever necessary

**vii. Recommendations of the Audit Committee**

The Audit Committee has recommended to the Board (during the year):

- The audited financial statements of InfoBeans Technologies Ltd, prepared in accordance with Ind AS, for the year ended 31st March, 2022, be accepted by the Board as a true and fair statement of the financial status of the Company Related Party Transactions

- The audited consolidated financial statements of InfoBeans Technologies Limited and its subsidiaries, prepared in accordance with Ind AS, for the year ended 31st March, 2022, be accepted by the Board as a true and fair statement of the financial status of the Group

- Re-appointment of the Internal Auditors, Secretarial Auditors and remuneration of the Statutory Auditors of the company.

## B. Nomination and Remuneration Committee

Company has constituted the Nomination and Remuneration Committee of the Company pursuant to the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

### i. Composition of Nomination and Remuneration Committee

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and provisions of Regulation 19 of SEBI (LODR) Regulations, 2015. All the members of the Committee have relevant experience in financial matters.

| Sr. No. | Name of Director | Category | Designation |
|---|---|---|---|
| 1. | Mr. Santosh Muchhal | Non-Executive Independent Director | Chairman |
| 2. | Mr. Sumer Bahadur Singh | Non-Executive Independent Director | Member |
| 3. | Ms. Shilpa Saboo | Non-Executive Independent Director | Member |

### ii. Meeting of Nomination and Remuneration Committee

During the Financial Year ended 31st March, 2022, two meetings of Nomination and Remuneration Committee were held on 23rd April, 2021, 2nd July, 2021. The necessary quorum was present for this meeting.

| Sr. No. | Name of Director | No. of Meetings Held | No. of Meetings attended |
|---|---|---|---|
| 1. | Mr. Santosh Muchhal | 2 | 2 |
| 2. | Mr. Sumer Bahadur Singh | 2 | 2 |
| 3. | Ms. Shilpa Saboo | 2 | 2 |

### iii. Role of Nomination & Remuneration Committee:

The role of the Nomination and Remuneration Committee shall include the followings:-

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
5. Any other function as may be required from time to time by the Listing Agreement, Companies Act, 2013 and rules made there under and any other statutory, contractual or other regulatory requirements to be attended by such committee.

### iv. Remuneration Policy:

The Company has adopted the Policy for Remuneration of Directors, Key Managerial Personnel (KMPs) and other Employees of the Company. The detailed policy is uploaded on the website of the Company and can be accessed at http://www.Infobeans.com/wpcontent/uploads/2015/12/Nomination-Remuneration-Policy.pdf

### v. Remuneration of Directors:

Remuneration of Executive Directors is decided by the Board, based on the recommendations of the Nomination and Remuneration Committee as per the remuneration policy of the Company, within the ceilings fixed by the shareholders.

| Particulars | Avinash Sethi | Siddharth Sethi | Mitesh Bohra |
|---|---|---|---|
| Salary | 49,48,296 | 47,78,400 | - |

### vi. Remuneration to Non-Executive Directors

During the year ended 31st March, 2022, the Company has paid remuneration in the form of sitting fee of ₹ 1,75,000 to each of its non-executive Independent Directors. Allotment of the ESOP

### vii. Activities of the Nomination & Remuneration Committee

- Based on performance evaluation, recommended the reappointment of Mr. Avinash Sethi, who is eligible to retire by rotation at the ensuing AGM.
- Stock incentives were approved and granted to eligible employees of the Company and subsidiaries during the year under the 2016 Plan
- Based on performance evaluation recommended re-appointment of Mr. Sumer Bahadur Singh as an Independent Director for a second term of five years.
- Recommended the incentives to the founders based on the performance.

### viii. Details of Significant employment agreement executed

We execute as per the Internal Policy

## C. Stakeholders' Relationship Committee

The Company had a shareholders / investors grievance committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / Annual Reports, etc. The nomenclature of the said committee was changed to Stakeholders' Relationship Committee in the light of provisions of the Act and Regulation 20 of SEBI (LODR) Regulations, 2015. The composition of the Stakeholders' Relationship Committee is given below:

| Sr. No. | Name of Director | Category | Designation |
|---|---|---|---|
| 1. | Santosh Muchhal | Non-Executive Independent Director | Chairman |
| 2. | Sumer Bahadur Singh | Non-Executive Independent Director | Member |
| 3. | Avinash Sethi | Director & Chief Financial Officer | Member |

**Meeting of Stakeholders' Relationship Committee**

During the Financial Year ended 31st March, 2022, no investor complaint was received and no complaint was pending for redressal. One Stakeholder Relationship Committee Meetings was held on 25th January, 2022. Necessary quorum for the meeting was present:

| Sr. No. | Name of Director | No. of Meetings Held | No. of Meetings Held |
|---|---|---|---|
| 1. | Santosh Muchhal | 1 | 1 |
| 2. | Sumer Bahadur Singh | 1 | 1 |
| 3. | Avinash Sethi | 1 | 1 |

### i. Role of Stakeholders' Relationship Committee

The role/s of the Stakeholders' Relationship Committee shall include all the function/s as may be required from time to time as per the Listing Agreement, SEBI (LODR) Regulations, 2015, Companies Act, 2013 and rules made there under and any other statutory, contractual or other regulatory requirements to be attended to by such committee.

a. The Committee meets regularly for redressing shareholders' / investors' complaints like non-receipt of Balance Sheet transfer of shares, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated power for approving transfer of securities to Directors. The Committee focuses primarily on strengthening services to the investors and ensuring rapid resolution of any shareholder or investor concerns.

   The Committee also monitors implementation and compliance of the Company's code of conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015.

b. The Company addresses all complaints, suggestions and grievances expeditiously. Replies have been sent and issues have been resolved usually within 15 days by the Company, except in case of dispute over facts or other legal constraints.

c. The Shareholders' / Investors' Grievance Committee reviews the complaints received and action taken.

d. No requests for share transfers are pending except those that are disputed or sub-judice.

e. Investor correspondence (Details of Compliance officer)

Investors are requested to send their correspondence for any assistance regarding dematerialization of shares, transfer, transmissions, change of address or any query relating to shares of the company:-

Company Secretary & Compliance officer
InfoBeans Technologies Limited
Crystal IT Park, STP-I, 2nd Floor, Indore, (M.P.) 452001
E-mail Id for Investor's Grievances: investor.relations@Infobeans.com

### D. Corporate Social Responsibility (CSR) Committee:

CSR Committee was constituted pursuant to Section 135 of the Companies Act, 2013. The Composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met one time on 25th January, 2022 during the year ended 31st March, 2022.

| Sr. No. | Name of Director | Category | Number of Meeting Attended |
|---|---|---|---|
| 1. | Santosh Muchhal (Chairman) | Non-Executive Independent Director | 1 of 1 |
| 2. | Sumer Bahadur Singh (Member) | Non-Executive Independent Director | 1 of 1 |
| 3. | Shilpa Saboo (Member) | Non-Executive Independent Director | 1 of 1 |
| 4. | Siddharth Sethi (Member) | Managing Director | 1 of 1 |

The terms of reference of the Corporate Social Responsibility Committee broadly include the following:

A. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the review thereof at periodical intervals;

B. To recommend the amount of expenditure to be incurred on the activities referred above;

C. To monitor the expenditure incurred on the specified activities; and

D. To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

E. To ensure necessary compliance of the CSR rules, including spending & reporting on CSR.

Based on the average profits of last three Financial Years ending on 31st March, 2021, the Committee reviewed approved and recommended to the Board of Directors, the amount of ₹ 60,24,350/- which needs to be spent towards CSR activities as per Section 135 of the Act, during the Financial Year 2021-22. Table above gives details of attendance at the CSR Committee Meeting held during the Financial Year 2021-22.

### E. Risk Management Committee:

#### (a) Composition:

The Board of Directors have in their meeting held on 30th July, 2021 constituted a Risk Management Committee in compliance with Regulation 21 of SEBI (LODR) Regulations 2015, as amended.

The Risk Management Committee comprises of:

| Sr. No. | Name of Director | Category | Designation |
|---|---|---|---|
| 1. | Santosh Muchhal | Non-Executive Independent Director | Chairman |
| 2. | Sumer Bahadur Singh | Non-Executive Independent Director | Member |
| 3. | Avinash Sethi | Director & Chief Financial Officer | Member |

**(b) Role:**

1. To formulate a detailed risk management policy of the Company which shall include:
   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
   (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
   (c) Business continuity plan.
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 the 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 Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Details of Risk management framework have been given under the MDA section, forming part of this report.

**(c) Meetings:**

During the Financial year 2021-2022 two meeting of the Risk Management Committee were held on 28th October, 2021 and 25th January, 2022.

| Sr. No. | Name of Director | Category | Number of Meeting Attended |
|---|---|---|---|
| 1. | Santosh Muchhal (Chairman) | Non-Executive Independent Director | 2 of 2 |
| 2. | Sumer Bahadur Singh (Member) | Non-Executive Independent Director | 2 of 2 |
| 3. | Avinash Sethi (Member) | Director & Chief Financial Officer | 2 of 2 |

## 5. PERFORMANCE EVALUATION:

The Board has a formal mechanism for evaluating its own performance, as well as that of its Committees and individual Directors, including the Chairman of the Board, based on the criteria laid down by Nomination and Remuneration Committee, which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to code of conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of internal control systems etc.

## 6. GENERAL BODY MEETINGS

### i. General Meetings

The last three General Meeting of the company were held at the venue and time as under:

| Year | AGM/EGM | Date | Time | Venue | Special Resolution Passed |
|---|---|---|---|---|---|
| 2018-19 | AGM-9th | 14.08.2019 | 04:00 P.M. | Crystal IT Park, STP-I, 1st Floor, Indore (M.P.) | 1 |
| 2019-20 | AGM-10th | 24.08.2020 | 04:00 P.M. | Virtually | 1 |
| 2020-21 | AGM-11th | 28.09.2021 | 04:00 P.M. | Virtually | 2 |

### ii. Extraordinary General Meeting (EGM): No Extraordinary General Meeting held during the year 2021-22

Details of SR passed during the last three Annual and /or Extraordinary General Meeting:

| Year Ended | Date & Time | Venue | Special Resolution |
|---|---|---|---|
| March 2021 | 11th AGM: 28th September, 2021 at 04:00 p.m. | Held through Video conferencing /other Audio visual means | 1. Re-appointment of Mr. Siddharth Sethi (DIN: 01548305) as Managing Director of the Company<br>2. To approve the performance incentive for the Executive Directors of the company |
| March 2020 | 10th AGM: 24th August, 2020 at 04:00 p.m. | Held through Video conferencing /other Audio visual means | 1. Re-appointment of Mrs. Shilpa Saboo as an Independent Director |
| March 2019 | 09th AGM: 14th August, 2019 at 04:00 p.m. | Crystal IT Park, STP-I Ground Floor, Indore (M.P) 452001 | 1. Approval of Related Party Transaction |

## 7. DIVIDEND FOR FISCAL 2021-2022:

Board of Directors have recommended a dividend @ ₹ 1 per equity share for the year financial year 2021-22.

### Unclaimed Dividends:

Dividends remain unpaid/unclaimed for a period of seven years will be transferred to the Investor Education & Protection Fund (IEPF) established by the Govt. of India. The dates by which the dividend amounts will be transferred to IEPF are as under:

| Financial Year | Type of Dividend | Rate of Dividend per share | Due date of transfer to IEPF | Amount Unpaid |
|---|---|---|---|---|
| 2013-14 | Final Dividend | 0.20 | NA | 0 |
| 2014-15 | Interim Dividend | 0.20- Interim 0.15- Final | NA | 0 |
| 2015-16 | Final Dividend | 0.15 | NA | 0 |
| 2016-17 | Interim Dividend | 0.15 | NA | 0 |
| 2017-18 | Final Dividend | 0.50 | 12/10/2025 | 13350.00 |
| 2018-19 | Final Dividend | 1.00 | 12/10/2026 | 16350.00 |
| 2019-20 | Interim Dividend | 1.00 | 12/10/2027 | 22,741.00 |
| 2020-21 | Special & Normal Dividend | 2.00- Special 1.00- Normal | 26/07/2028 | 124,825.00 |

### Shareholders Payout Policy

InfoBeans have adopted the shareholders payout policy with intent to strive a fair balance between payout to shareholders and cash retention. The company has been conscious of the need to maintain consistency in payout/reward to the Shareholders. The quantum and manner of payout / reward to the shareholders of the Company shall be recommended by the Board of Directors of the Company.

**Ways of Payout/ Rewards to the Shareholders**

**01.) Dividend distribution philosophy**

In accordance with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2015, introducing a new Regulation 43A which requires the top five hundred listed entities based on market capitalization (calculated as on 31st March of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

The Companies other than top five hundred listed entities based on market capitalization may disclose their dividend distribution policies on a voluntary basis to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites. As InfoBeans Technologies Limited ("the Company") comes in the category of companies, other than top five hundred listed entities, and therefore may disclose its dividend distribution policy ("the Policy") on a voluntary basis, your Board of Directors ("Board") have considered and approved its Dividend Distribution Policy in the meeting held on 1st May, 2019 to comply with these requirements on voluntary basis. The Policy will be applicable from the Company's Financial Year 2019-20. The Company currently has only one class of shares, viz. equity, for which this policy is applicable. This dividend distribution policy shall be subject to review as and when the Company issues different class of shares.

**a. Dividend**

"Dividend" shall mean Dividend as defined under the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") together with circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

**b. Interim and Final Dividend**
The Board may declare one or more Interim Dividends during any financial year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which dividend proposal is considered, shall be communicated to the stock exchanges, as required by Listing Regulations.

**c. Policy**
- The Company believes in rewarding its shareholders as and when sufficient funds are available for distribution as dividend and generally strive to declare dividend and to recommend the same to the Members at the Annual General Meeting of the Company.
- The Company envisions dividend frequency annually, it can be more frequent if sufficient excess cash is available.
- The Company aims to target long term dividend yield consistent with peer average.
- The Company aims to target long term dividend payout ratio after considering the needs of business reinvestment.

**d. Circumstances under which shareholders can expect Dividend**
The Board will assess the Company's financial requirements, including present and future, organic and inorganic growth opportunities and other relevant external and internal factors and declare dividend in any financial year. The dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with the provisions of the Act and Regulations, as applicable.

**e. Financial parameters and other internal and external factors which would be considered for declaration of Dividend:**
- Distributable surplus available as per the Act and Regulations;
- The Company's liquidity position and future cash flow needs;
- Track record of Dividends distributed by the Company;
- Payout ratios of comparable companies;
- Prevailing Taxation Policy or any amendments expected thereof, with respect to dividend distribution;
- Capital expenditure requirements considering the expansion and acquisition opportunities;
- Cost and availability of alternative sources of financing;
- Stipulations / Covenants of loan agreements;
- Macro-economic and business conditions in general; and
- Any other relevant factors which the Board deem fit to consider before declaring dividend.

**f. Utilization of retained earnings**
Subject to the applicable regulations and after considering the above mentioned parameters the Company's retained earnings may be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.;
- Buyback of shares subject to applicable limits;
- Payment of dividend in future years;
- Issue of Bonus shares; and
- Any other permissible purpose.

**g. Disclosure of this Policy**
The Company shall disclose this Policy on its website and in its Annual Report.

**h. Modification of the Policy**
The Board is authorized to change/amend/alter this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the applicable Acts, Rules and Regulations etc.

### 02.) Bonus Issue
As and when the company has large accumulated reserves represented by free reserves, securities premium, surplus etc. which are felt more than the requirements of the Company the Board may consider to utilize such balances towards issuance of bonus equity shares or any other security (ies) as may be permissible under the applicable provisions of the Companies Act, 2013, SEBI Act along with applicable regulations thereunder and any other Act as may be applicable.

### 03.) Buy Back
As and when the Company has large accumulated reserves represented by free reserves, security premium, surplus etc. which is also supported by sufficient liquidity in the company, the Board of Directors may consider to carry out Buy Back of its equity shares in accordance with the relevant applicable provisions of the Companies Act, 2013, SEBI Act along with applicable regulations thereunder and any other Act as may be applicable.

### 04.) Sub division / splitting of shares
The Board of Directors may also consider to sub divide the equity shares in order to improve the liquidity in the market and to make it more affordable to retail shareholders thereby attracting better participation of retail shareholders in the equity shares of the Company.'

## 8. BOARD' EVALUATION
The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the Directors and on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors held on 27th January, 2022, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

**The following are some of the broad issues that are considered in performance evaluation:**

**Criteria for evaluation of Board and its Committees:**

- Setting up of performance objectives and performance against them
- Board's contribution to the growth of the Company
- Whether composition of the Board and its Committees is appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
- Board's ability to respond to crisis
- Board communication with the management team
- Flow of quality information to the Board

**Criteria for evaluation of Independent Directors**

- Demonstrates willingness to devote time and effort to understand the Company and its business
- Demonstrates knowledge of the sector in which the Company operates
- Quality and value of their contributions at board meetings
- Contribution to development of strategy and risk management policy
- Effective and proactive follow up on their areas of concern

**Criteria for evaluation of Non-Independent Directors**

- Knowledge of industry issues and exhibition of diligence in leading the organization
- Level of attendance at the Board and Committee meetings where he is a member
- Effectiveness in working with the Board of Directors to achieve the desired results
- Providing direction and support to the Board regarding its fiduciary obligations and governance role
- Providing well-balanced information and clear recommendations to the Board as it establishes new policies.

The company has identified following skills/expertise/ competencies fundamental which are taken into consideration while nominating candidates to serve on the Board.

| | |
|---|---|
| Leadership | Leadership experience for an enterprise, resulting in a practical understanding of organization, processes, strategic planning and risk management |
| Strategy and Planning | Experience in guiding and leading management teams to make decisions in uncertain environments. |
| Corporate Governance | Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, protecting shareholders interest and observing appropriate governance practices |

## 9. OTHER DISCLOSURES

**a.** There are no materially significant transactions with its promoters, the directors or the senior management personnel, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company. The disclosure in respect of related party transactions is provided in the notes to accounts. All contracts with the related parties entered into during the year are in normal course of business and have no potential conflict with the interest of the Company at large and are carried out on arm's length basis at fair market value.

**b.** The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has framed a Whistleblower Policy. No personnel have been denied access to the Audit Committee. The detail Whistleblower policy has been uploaded on the Company's website: https://www.infobeans.com/wp-content/uploads/2015/12/Whistle-Blower-Policy.pdf

**c.** The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non - mandatory requirements as well, as discussed under relevant headings.

**d.** The Company has subsidiary company in USA, Dubai & Germany. The details of the subsidiary and its performance is being part of the Board Report.

**e.** All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year, which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements. The company has framed Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and is placed on the Company's website and the web link for the same is http://www.Infobeans.com.

f. **Strictures and Penalties:** No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years

g. **Vigil Mechanism/Whistle Blower Policy**

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act; the whistle blowing Policy is available on the company's website at: https://www.infobeans.com/wp-content/uploads/2015/12/WhistleBlower-Policy.pdf

h. **Prevention of insider trading:** The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company Secretary & Head Compliance is responsible for implementation of the Code.

i. **Proceeds from public issues, rights issue, preferential issues, etc.**

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

j. **Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:** There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

k. **Confirmation that in the opinion of the Board, the Independent Director fulfill the condition specified in this regulation and are independent of the Management:** Confirmation that in the opinion of the Board, the Independent Directors fulfill the condition specified in this regulation and are independent of the Management.

l. **Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reason other than those provided:**

There is no resignation of any Independent Director during the Financial Year.

m. **Directors Indemnity Policy**

We have the Director's & Officers Liability Policy to indemnify our directors and officers for claims bought against them to the extent permitted under the applicable law.

n. **Details of Significant employment agreement executed –** Agreements were executed as per the Internal Policy

o. **Details of Bonus issues / Right Issues / Split of Shares-** The Company has not made any Bonus Issues/Rights Issue or split of shares after the listing.

p. **Secretarial Compliance Report:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has engaged the services of CS Mr. Manish Maheshwari, Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

q. **Certificate from Practicing Company Secretary:** Certificate as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS Mr. Manish Maheshwari, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. A compliance certificate from CS Mr. Manish Maheshwari, Practicing Company Secretaries, pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance of conditions is attached.

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

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received is NIL and disposed of is NIL during the financial year 2021-22 as under:

a. Number of complaints filed during the financial year: NIL

b. Number of complaints disposed of during the financial year: NIL

c. Number of complaints pending as on end of the financial year: NIL

s. **Where the Board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year.**

There was no recommendation of any committee of the board during the financial year 2021-22 which the Board had not accepted, which otherwise was mandatorily required.

t. **Total fees for all services paid by the company and its subsidiary on a consolidated basis, to the statutory auditors and all entities in the network of which the statutory auditor is a part.**

The company has paid as auditors remuneration ₹ 4,77,000/- (Four lacs, seventy seven thousand) for the year 2021-2022 to the Statutory Auditors of the company. All our subsidiaries are foreign subsidiaries and Auditor of Subsidiaries are different from our Statutory Auditors.

**Means of Communication**

The website of the company acts as primary source of information regarding the operations of the company quarterly, half yearly and annually. Financial results and other media releases are being displayed on the company website regularly.

Quarterly Earnings calls with analysts and investors are broadcast live on our website and their transcripts are also published on the website. The proceedings of the AGM are webcast live for shareholders across the world. The AGM presentations, transcripts and video archives are available on our website, at https://www.infobeans.com/investors/

**Payment of Listing Fees:**

Annual listing fees for the year 2021-22 and 2022-23 have been paid by the Company to NSE Limited where the shares of the Company are listed. Annual Custody/Issuer fee for the year 2022-23 will be paid by the Company to National Securities Depository Limited and Central Depository Services (India) Limited.

**i. General Shareholder Information**

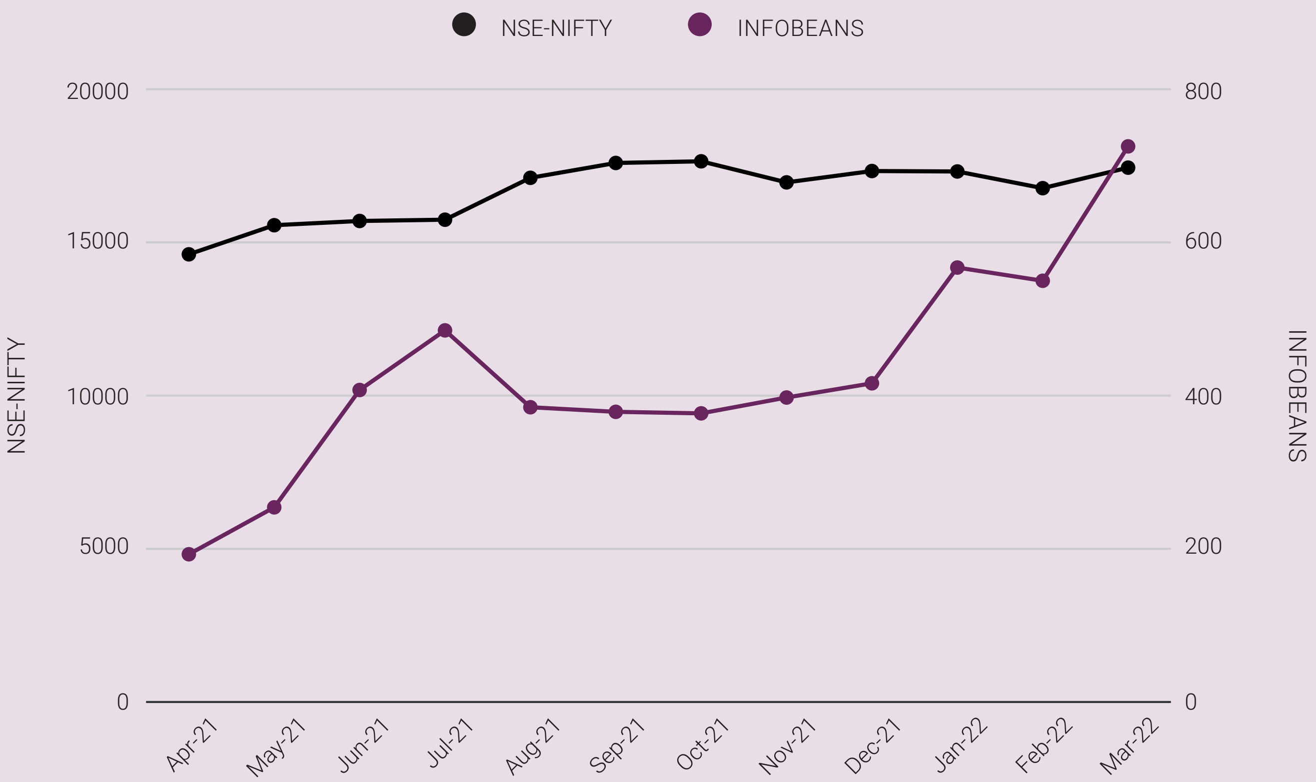
| | | |
|---|---|---|
| 1 | Annual General Meeting | 12th Annual General Meeting of the members of InfoBeans Technologies Ltd will be held on |
| 2 | Day, | Friday |
| | Date, | 22nd July, 2022 |
| | Time, | 04:00 p.m. |
| 3 | Date of Book Closure | 16th July to 22nd July (Both days inclusive) |
| 4 | Stock Code | INFOBEAN |
| 5 | ISIN | INE344S01016 |

**ii. Listing**

At present, the equity shares of the Company are listed at:-

National Stock Exchange Ltd. (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051.

**iii. Market price data**



### iv. Registrar & Share Transfer Agent

M/s Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West) Mumbai
Mumbai City (Maharashtra) – 400083

### v. Share Transfer System

All the transfers received are processed by the Registrars and Transfer Agents and approved by the Board/Share Transfer Committee.

### vi. Shareholding Pattern of the company as on 31st March, 2022:

| Category | No. of Shares | % of Holding |
|---|---|---|
| Promoters | 18,020,870 | 74.56 |
| Public | 6,150,119 | 25.44 |
| Non Promoter-Non Public | - | - |
| Shares underlying DRs | 0 | 0 |
| Shares held by employee trust | 0 | 0 |
| **Total** | **24,170,989** | **100.00** |

### vii. Distribution of Shareholding

Shareholding pattern as on 31st March, 2022

| Sr. No. | Shareholding of Shares | Number of Shareholders | % of Total Shareholders | Shares | % of Total Share Capital |
|---|---|---|---|---|---|
| 1 | 1 to 500 | 17612 | 94.1566 | 949717 | 3.9292 |
| 2 | 501 to 1000 | 491 | 2.625 | 378663 | 1.5666 |
| 3 | 1001 to 2000 | 309 | 1.652 | 488435 | 2.0207 |
| 4 | 2001 to 3000 | 82 | 0.4384 | 208852 | 0.8641 |
| 5 | 3001 to 4000 | 49 | 0.262 | 172610 | 0.7141 |
| 6 | 4001 to 5000 | 29 | 0.155 | 139233 | 0.5760 |
| 7 | 5001 to 10000 | 76 | 0.4063 | 564703 | 2.3363 |
| 8 | 10001 to 99999999999 | 57 | 0.3047 | 21268776 | 87.9930 |
| | **TOTAL :** | **18705** | **100** | **24170989** | **100.00** |

### viii. Dematerialization of shares and liquidity

The equity shares of company are listed and are compulsorily traded in electronic form only. As on 31st March, 2022 all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid up capital of the company. The equity shares of the company were actively traded on National Stock Exchange of India Limited (NSE) Emerge platform and have good liquidity.

## 10. OUTSTANDING ADRS /GDRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

The Company had not issued any GDRs / ADRs/ Warrants or any Convertible instruments in the past and hence as on 31st March, 2022 the Company does not have any outstanding GDRs/ ADRs/ Warrants or convertible instruments.

## 11. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, during the financial year 2021-22 were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Audit Committee and the Board has approved a policy for related party transactions which has been uploaded on the Company's website at www.infobeans.com

## 12. BUSINESS LOCATIONS:

Company is engaged in the business of Software development. InfoBeans Technologies Ltd is a Leading player offering Customized Software, Digital Transformation and Enterprise Mobility solutions for clients across the globe.

## 13. ADDRESS FOR CORRESPONDENCE:

InfoBeans Technologies Limited
Crystal IT Park, STP-I 2nd Floor,
Ring Road, Indore (MP) 452001
E-mail: investor.relations@Infobeans.com.
CIN: L72200MP2011PLC025622

## 14. REPORTING OF INTERNAL AUDITOR

The Internal Auditor has direct access to the Audit Committee and presents their Internal Audit observations to the Audit Committee.

## 15. CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from its Secretarial Auditor M/s. M. Maheshwari & Associates., Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2021-22. This certificate will be sent to the stock exchanges along with the Annual Report to be filed by the Company.

## 16. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company does not deal in commodities and hence any disclosure about commodity prices, pursuant to SEBI Circular dated 15th November, 2018 is not required.

For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

## 17. DETAILS OF BONUS ISSUES / RIGHT ISSUES / SPLIT OF SHARES

– No bonus issue, right issue or split of shares has been done post listing

## 18. DETAILS OF ALL COMMUNICATIONS MADE TO THE SHAREHOLDERS DURING THE YEAR -

We held Quarterly Earnings for every quarter end financial results call with our stakeholders about which we communicate to our shareholders.

## 19. CREDIT RATINGS HAS BEEN OBTAINED IN THE LAST FISCAL YEAR - Not Applicable

## 20. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE - Not Applicable

## 21. LIST OF NON COMPLIANCE MADE DURING THE YEAR-

- Delay in furnishing prior intimation about the meeting of the Board of Directors, however the company explained to NSE that the lapse was purely unintentional and complied with the instruction of NSE to pay the penalty.

- Delay in disclosure of record date however the company explained to NSE that the lapse was purely unintentional and complied with the instruction of NSE to pay the penalty.

## 22. DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT:

In terms of the requirements of SEBI (LODR) Regulation 2015 and the Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, the Company has received a certificate from its Directors confirming and declaring that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the code of conduct, applicable to them, for the Year ended 31st March, 2022.

For **InfoBeans Technologies Ltd**

**Place:** Indore
**Date:** 27th June, 2022

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

# CEO/MD & CFO CERTIFICATION

(Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To,
**InfoBeans Technologies Limited**
(CIN L72200MP2011PLC025622)

Certification by Managing Director, Chief Financial Officer

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of to the best of our knowledge and belief certify that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate any rules of the listed entity's code of conduct.

3. 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 listed entity 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.

4. We have indicated to the auditors and the Audit committee:-

(a) significant changes in internal control over financial reporting during the year;

(b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(c) 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 listed entity's internal control system over financial reporting.

For **InfoBeans Technologies Ltd**

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

**Place:** Indore
**Date:** 27th June, 2022

# ANNEXURE-C

**Policy on Remuneration of Directors, Key Managerial Personnel and Other Employees:**

## 1. INTRODUCTION:

InfoBeans Technologies Limited ("the Company") recognizes the importance of attracting, retaining and motivating personnel of high caliber and talent for the purpose of ensuring efficiency and high standard in the conduct of its affairs and achievement of its goals, besides securing the confidence of the shareholders in the sound management of the Company. Section 178 of the Companies Act, 2013 requires the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key managerial personnel and other employees.

- 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.

- carry out evaluation of every Director's performance.

- formulate the criteria for evaluation of Independent Directors and the Board.

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of InfoBeans Technologies Limited herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the Directors, Key managerial personnel and other employees of the Company as set out below:

## 2. DEFINITION:

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Company" means "InfoBeans Technologies Limited."

"Directors" means Directors of the Company.

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" means persons as defined in Section 2 (51) of the Companies Act, 2013.

As per section 2(51)

"Key managerial personnel", in relation to a Company means-

I. The Chief Executive Officer or the Managing Director or the Manager;

II. The Company Secretary;

III. The Whole-time Director;

IV. The Chief Financial Officer; and

V. Such other officer as may be prescribed;

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015

"Policy or This Policy" means "Policy for Remuneration of Directors, Key Managerial Personnel and Senior Employee".

"Remuneration" means any money or its equivalent given or passed on to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

"Senior Management" mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Director, including all the functional heads.

"Other employees" mean all the employees other than the Directors, KMPs and the Senior Management Personnel.

## 3. REMUNERATION OF DIRECTORS:

The Company strives to provide fair compensation to Directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/ track record, macro-economic review on remuneration, packages of heads of other organizations. The remuneration payable to the Directors of the Company shall at all times be determined, in accordance with the provisions of Companies Act, 2013.

## 4. APPOINTMENT AND REMUNERATION OF MANAGING DIRECTOR AND WHOLE TIME DIRECTOR:

The terms and conditions of appointment and remuneration payable to a Managing Director and/or Whole-time Director (s) shall be recommended by the Nomination and Remuneration Committee to the Board, for its approval, which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013.

Approval of the Central Government is not necessary if the appointment is made in accordance with the conditions specified in Schedule V to the Act. In terms of the provisions of Companies Act, 2013, the Company may appoint a person as its Managing Director or Whole-time Director for a term not exceeding 3 (years) at a time.

The executive Directors may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

a. Financial and operating performance of the Company.

b. Relationship between remuneration and performance.

c. Industry/ sector trends for the remuneration paid to executive directorate.

Annual Increments to the Managing/ Whole Time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

## 5. INSURANCE PREMIUM AS A PART OF REMUNERATION:

Where any insurance is taken by a Company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. However, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

## 6. REMUNERATION TO INDEPENDENT DIRECTORS :

Independent Directors may receive remuneration by way of

a. Commission as approved by the Shareholders of the Company.

b. Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to Independent Directors, but the amount of such sitting fees shall not exceed the maximum permissible under the Companies Act, 2013.

## 7. REMUNERATION TO DIRECTOR'S IN OTHER CAPACITY:

The remuneration payable to the Directors including Managing Director or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him/her in any other capacity except the following:-

**a)** The services rendered are of a professional nature; and

**b)** In the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

## 8. EVALUATION OF THE DIRECTORS :

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually. Section 178 (2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance. In developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an independent professional consultant.

## 9. NOMINATION AND REMUNERATION OF THE KEY MANAGERIAL PERSONNEL (OTHER THAN MANAGING/ WHOLE TIME DIRECTOR'S), KEY EXECUTIVES AND SENIOR MANAGEMENT:

The executive management of a Company is responsible for thday-to-day management of the Company. The Companies Act, 2013 has used the term "Key Managerial Personnel" to define the executive management.

The KMP's is the point of first contact between the Company and its stakeholders. While the Board of Directors is responsible for providing the oversight, it is the Key Managerial Personnel and the Senior Management who are responsible for not just laying down the strategies, as well as, its implementation.

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on Remuneration of the Directors of this Policy dealing with "Remuneration of Managing Director and Whole-time-Director".

Apart from the Directors, the remuneration of all the other KMPs such as the Chief Financial Officer, Company Secretary or any other officer that may be prescribed under the statute from time to time; and "Senior Management" of the Company defined in the SEBI (LODR, Regulations, 2015 shall be determined by the Key Managerial Personnel/s of the Company in consultation with the Managing Director and/ or the Whole-time Director (Finance).

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholders' interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses etc. shall be decided by the Company's Key Managerial Personnel/s

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole-time Director (Finance) of the Company.

## 10. REMUNERATION OF OTHER EMPLOYEES:

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee including professional experience, responsibility, job complexity and local market conditions. The Company considers it essential to incentivize the workforce, to ensure adequate and reasonable compensation to the staff. The Key Managerial Personnel/s shall ensure that the level of remuneration motivates and rewards high performers, who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package. The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HODs of various departments and Human Resource Department. Decisions on Annual Increments shall be made on the basis of this annual appraisal in consultation with the Managing Director and/ or the Whole-time Director (Finance) of the Company.

## 11. REVIEW AND AMENDMENT:

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/ or the Board of Directors and such amendment shall come in effect from the date as per applicability prescribed by the relevant statutes

## 12. OTHER MATTERS NOT COVERED HEREIN:

The Nomination and Remuneration Committee and/ or the Board of Directors of the Company shall have absolute discretion in deciding any other matter relating to the remuneration and compensation to the employees of the Company, which is not covered in the above policy and also which is not reserved, for deciding by any specific authority under provisions of any applicable statues.

# ANNEXURE-D

## FORM NO.MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,
The Members,
**INFOBEANS TECHNOLOGIES LIMITED**
CIN: L72200MP2011PLC025622
2nd Floor, Crystal IT Park, Bhavarkua Road, Indore – 452001

We have conducted the Secretarial Audit of the compliance of applicable statute or provisions and the adherence to good corporate practices by **InfoBeans Technologies Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us are reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books,forms and returns filed and other records made availableto us and maintained by the Company for the financialyear ended on March 31, 2022 according to the applicable provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under read with notifications, exemptions and clarifications thereto;

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

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;

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 as amended from time to time;

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

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

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009 and amendments from time to time.

   e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014.

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008. (Not Applicable to the Company during the Audit Period)

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client;

   h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time. (Not applicable as the Company during the reporting period under Audit)

   i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

vi. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for the compliances under the following applicable Act, Law & Regulations to the Company

   a. The Special Economic Zone Act, 2005, and rules made thereunder

   b. Information Technology Act,2000, and rules made thereunder

   c. Compliances related to the Software Technology Parks of India (STPI) Scheme.

   d. Workmen's compensation Act, 1923 and all other allied labor laws, as informed / confirmed to us.

   e. Prevention of Money Laundering Act, 2002

f. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**We report that, as per regulations 29(2)/29(3) and 42(2)/42(3)/42(4) of SEBI (LODR) Regulations 2015, the NSE had imposed the penalty for delay in intimation of buy back of shares and delay in disclosure of the record date however, such penalty was duly paid by the Company.**

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously/majority as recorded in the Minutes of the Board of Directors of the Company or committee of the Board, as the case may be. No dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We report further that, during the audit period:**

The Company has bought back 4,31,717 fully paid up equity shares of face value of ₹ 10/- each on a proportionate basis, through the tender offer mechanism as prescribed under the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. None of the equity shares were bought back in the Buyback offer as there were no valid bids were received.

There were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

**Note :** This Report is to be read with our letter which is annexed as Annexure A, which forms integral part of this report.

For **M. Maheshwari & Associates**
Company Secretaries
Firms U.C.N. I2001MP213000

**Date:** 24th June, 2022
**Place:** Indore
**UDIN:** F005174D000528785

**Manish Maheshwari**
Proprietor
FCS-5174
CP-3860

# ANNEXURE-1

To,
The Members,
**INFOBEANS TECHNOLOGIES LIMITED**
CIN: L72200MP2011PLC025622
2nd Floor, Crystal IT Park, Bhavarkua Road, Indore – 452001.

Our Secretarial Audit Report of even date is to be read along with this letter.

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

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

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

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

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

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

For **M. Maheshwari & Associates**
Company Secretaries
Firms U.C.N. I2001MP213000

**Date:** 24th June, 2022
**Place:** Indore
**UDIN:** F005174D000528785

**Manish Maheshwari**
Proprietor
FCS-5174
CP-3860

## Form No. MR-3

### Secretarial Audit Report

For the financial year ended 31st March, 2022 [Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
**Eternus Solutions Private Limited**
Office No. 1 and 2, First Floor, S. No. 127/1A to 1E Plot No. 8, NSG IT Park,
Aundh, Pune - 411007, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eternus Solutions Private Limited** (CIN - U72900PN2010PTC137537) (hereinafter called the "Company"), wholly owned subsidiary of InfoBeans Technologies Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the **Eternus Solutions Private Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, 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 **(Not Applicable to the Company during the Audit Period)**

III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder; **(Not Applicable to the Company during the Audit Period)**

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. **(The provisions related to Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period)**

Company is in process of compounding for filing of Form FC-GPR for allotment of 30,000 equity shares on 31st August, 2011 to Ms. Priyanka Malhotra and thus Form FC-TRS for reporting of transfer of shares from Non-resident to resident will be filed post completion of compounding process. The Company did not have any Foreign Direct Investment during the financial year.

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and amendments, modifications and repeals thereto: -

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period);**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 **(Not Applicable to the Company during the Audit Period);**

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);**

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period);**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**

   (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 **(Not Applicable to the Company during the Audit Period);**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);**

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period) and**

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the Audit Period).**

VI. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

**Labor Laws:**

(a) Shops and Commercial Establishments Act of Applicable States;

(b) Child Labour (Prohibition and Regulation) Act, 1986;

(c) Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

(d) The Employee's Provident Fund and Miscellaneous Provision Act, 1952;

(e) The Employee's State Insurance Act, 1948;

(f) The Employees Compensation Act, 1923;

(g) The Maternity Benefit Act, 1961;

(h) The Minimum Wages Act, 1948;

(i) The Payment of Bonus Act, 1965;

(j) The Payment of Gratuity Act, 1972;

(k) The Payment of Wages Act, 1936 and

(l) Workmen's compensation Act, 1923 and all other allied labor laws, as informed / confirmed to us.

**Taxation Laws:**

(a) The Income Tax Act, 1961;

(b) Goods and Service Tax Act; 2017 and

(c) The Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.

**Laws applicable to the IT and Software Industry:**

(a) Information Technology Act, 2000 and

(b) Registration Under STPI Act.

**Miscellaneous laws:**

(a) The Micro, Small and Medium Enterprises Development Act, 2006 and

(b) Prevention of Money Laundering Act, 2002.

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

I. Secretarial Standards issued by The Institute of Company Secretaries of India.

II. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; (Not Applicable to the Company during the Audit Period)

During the period under review the Company has complied with the provisions of the Act, Rules,

Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

**We further report that** during the audit period the events which are took place and which had a major bearing on the Company's affairs are listed below:

1. Buy-back of up to 40,800 fully paid-up Equity Shares;
2. Transfer of 12,000 equity shares by way of Gift;
3. Amendment in main objects and replacing it with new main objects of the Memorandum of Association of the Company;
4. Adoption of New set of Memorandum of Association in order to align it with provisions of Companies Act, 2013;
5. Increase in Authorised Share Capital from Rs. 10,000,000 to Rs. 14,000,000 and alteration of Clause V of the Memorandum of Association pursuant to increase in Authorised Share Capital;
6. Transfer of 108,000 Equity Shares to InfoBeans Technologies Limited;
7. Re-classification of Authorized Share Capital of the Company and alteration of the Clause 5th of the Memorandum of Association of the Company pursuant to reclassification of Authorised Share Capital;
8. Issue and allotment of 233,008 Bonus shares;
9. Transfer of 597,000 Equity Shares to InfoBeans Technologies Limited;
10. Appointment of Additional Directors and Regularisation of the term of the Directors;
11. Appointment of Independent Director of the Company and
12. Adoption of new set of Articles of Association of the Company.

**CS Pranav Asnikar**
Pranav Asnikar & Co.
Company Secretaries
FCS No. 11957
Certificate of Practice No.: 11437
UDIN: F011957D000513535

**Date:** 21st June, 2022
**Place:** Pune

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

# ANNEXURE-1

To,
The Members,
**Eternus Solutions Private Limited**
Office No. 1 and 2, First Floor, S. No. 127/1A to 1E Plot No. 8, NSG IT Park,
Aundh, Pune - 411007, Maharashtra, India.

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

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

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

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

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

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

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

**CS Pranav Asnikar**
Pranav Asnikar & Co.
Company Secretaries
FCS No. 11957
Certificate of Practice No.: 11437
UDIN: F011957D000513535

**Date:** 21st June, 2022
**Place:** Pune

# ANNEXURE-E

## FORM AOC-1

(Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) (Information with respect to each subsidiary to be presented with amounts in ₹ / INR, except exchange rate)

**Statement containing salient features of the financial statement of subsidiaries/associate Companies/joint ventures:**

Part "A": Subsidiaries

| Sr. No. | Name of the Subsidiary | InfoBeans Technologies DMCC | InfoBeans Technologies INC | InfoBeans Technologies Europe GMBH | Eternus Solutions Pvt Ltd |
|---|---|---|---|---|---|
| 1 | Country | Dubai | USA | Germany | India |
| 2 | Date since when subsidiary is acquired | NA | NA | NA | 28th October, 2021 |
| 3 | Reporting period for the subsidiary | 2021-22 | 2021-22 | 2021-22 | 2021-22 |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Reporting currency = AED Exchange Rate 20.684 | Reporting currency = USD Exchange Rate 75.807 | Reporting currency = EURO Exchange Rate 85.660 | Reporting currency=INR Exchange Rate- 1.00 |
| 5 | Share Capital | 41,36,800 | 39,41,96,920 | 2,35,98,947 | 70,50,000 |
| 6 | Reserve& Surplus | 91,06,282 | 20,54,16,711 | (1,82,54,603) | 45,80,88,061 |
| 7 | Total Assets | 7,71,14,727 | 1,03,98,46,323 | 5,69,20,961 | 56,40,08,660 |
| 8 | Total Liabilities | 7,71,14,727 | 1,03,98,46,323 | 5,69,20,961 | 56,40,08,660 |
| 9 | Investment | Nil | Nil | Nil | 20,49,60,556 |
| 10 | Turnover | 10,38,49,900 | 1,31,28,39,434 | 13,70,83,690 | 65,05,35,983 |
| 11 | Profit Before Taxation | 59,22,606 | 21,30,57,835 | 1,19,84,748 | 24,31,87,483 |
| 12 | Provision for Taxation (Deferred Tax) | Nil | 76,40,545 | Nil | 6,10,01,823 |
| 13 | Profit after taxation | 59,22,606 | 20,54,17,290 | 1,19,84,748 | 18,21,85,660 |
| 14 | Proposed Dividend | Nil | | Nil | Nil |
| 15 | % of shareholding | 100% | 100% | 100% | 100% |

**Notes:** The following information shall be furnished at the end of the statement:

1. The exchange rate of turnover is calculated as on the date of preparing balance sheet.
2. Names of subsidiaries which are yet to commence operations - NA
3. Names of subsidiaries which have been liquidated or sold during the year- NA
4. During the fiscal year 21-22 Philosophie Group Inc has been merged into Infobeans technologies Inc.

**Part B: Associates and Joint Ventures: N.A**

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

| Sr. No. | | Name of the Subsidiary |
|---|---|---|
| 01 | Latest audited Balance Sheet Date | - |
| 02 | Shares of Associate/Joint Ventures held by the company on the year end<br>(a) No.<br>(b) Amount of Investment in Associates/Joint Venture<br>(c) Extend of Holding % | - |

# ANNEXURE-F

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Name of Director | Category | Remuneration for the Financial Year 2021-2022 (₹)* | % Increase in Remuneration for the Financial Year 2021-22 | Ratio of Remuneration of Director to the Median remuneration |
|---|---|---|---|---|
| Mr. Siddharth Sethi | Managing Director | 47,78,400 | Nil | 4.3:1 |
| Mr. Avinash Sethi | Director & CFO | 49,48,296 | Nil | 4.5:1 |
| Mr. Mitesh Bohra | Executive Director & President | - | N.A. | - |
| Mr. Santosh Muchhal | Independent (Non-Executive) Director | - | N.A. | - |
| Ms. Shilpa Saboo | Independent (Non-Executive) Director | - | N.A. | - |
| Mr. Sumer Bahadur Singh | Independent (Non-Executive) Director | - | N.A. | - |
| Ms. Surbhi Jain | Company Secretary | 6,80,000 | 11.7% | - |

*Remuneration includes fixed pay, variable pay and retrial benefits if any.

**Note:**

1. All the Non-Executive Independent Directors are paid only sitting fees for attending the meetings of Board of Directors or Committees thereof.
2. The sitting fees paid to the Independent Director has been increased to ₹ 1,75,000 P.A. per director as compared to ₹ 100,000 P.A. per Director during the year under review.
3. Performance Incentives ₹ 1,25,00,000 each has been paid to Mr. Siddharth Sethi, Managing Director and Mr. Avinash Sethi, Director & CFO along with the remuneration.
4. The aforesaid details are calculated on the basis of remuneration for the financial year 2021-22.
5. The remuneration to Directors is within the overall limits approved by the shareholders of the Company
   a) The Median Remuneration of employees of the company during the financial year 2021-2022 was 11 Lakhs
   b) Percentage increase in median remuneration of all employees in the financial year 2021-22 was 33.3%
   c) Number of permanent employees on the rolls of the Company as on 31st March, 2022 was 1099 on standalone basis and 1429 on consolidated basis.
   d) 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: N.A.
   e) Average increase in remuneration for employees of the Company, other than Managerial Remuneration in the financial year (2021-22) was 11%
   f) Increase in Managerial Remuneration of KMP's is as per the details mentioned above
   g) It is affirmed that the remuneration paid is as per the remuneration policy of the Company

For and on behalf of the Board of Directors of
**InfoBeans Technologies Limited**

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

**Place:** Indore
**Date:** 27th June, 2022

# ANNEXURE-G

## FORM NO. AOC-2

(As per "the Act" and rule made there under)

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

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

### 1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transaction entered into during the year ended 31st March, 2022, which were not at arm's length basis.

### 2. Details of material contracts or arrangement or transactions at arm's length basis

There were certain transactions entered into by the Company with its foreign subsidiaries and other parties who are related within the meaning of Indian Accounting Standard (Ind AS) 24 and Section 188 of the Act. All these transactions were entered into after meeting with the requirements of requisite approval and disclosures, as prescribed under the applicable provisions of the Companies Act, 2013. Attention of Members is drawn to the disclosure of transactions with such related parties set out in Note No. 38 of the Standalone Financial Statements, forming part of this Annual Report and the total value of such transactions in the Financial Year 2021-22 is ₹ 66,09,70,015/-

*** Appropriate approvals have been taken for the related party transactions.**

### 3. The details of all related party transactions as per Accounting Standard 18 have been disclosed in Notes to Accounts of Financial Statement. - Yes

For and on behalf of the Board of Directors of
**InfoBeans Technologies Limited**

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

**Place:** Indore
**Date:** 27th June, 2022

# ANNEXURE-H

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

## CONSERVATION OF ENERGY-

| Sr. No | Particulars | |
|---|---|---|
| 1 | The steps taken or impact on conservation of energy; | All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. |
| 2 | The steps taken by the company for utilizing alternate sources of energy; | NA |
| 3 | The capital investment on energy conservation equipment. | ₹ 3,09,49,000/- |
| 4 | Details of Electrical Energy consumed | |
| | 1. No. of Units in 21-22 | 3,08,615 |
| | 2. Amt. of Total Power Cost 21-22 | ₹ 47,30,668.95 |
| | 3. Cost of Power Per Unit in 21-22 | 10 |

*(Includes Others charges)

## TECHNOLOGY ABSORPTION

| Sr. No | Particulars | |
|---|---|---|
| 1. | The efforts made towards technology absorption | Updation of in house technology is a continuous process. Your Board of Directors always keep focus on technology absorption as a policy implemented at all levels in our industry & all the new technology developed by our internal R & D department is fully absorbed for development of the existing product range and in development of new models. |
| 2. | The benefits derived like product improvement, cost reduction, product development or import substitution | The Company has been able to successfully indigenize the tooling to a large extent. Increased efficiency, better performance and wider product range are the main benefits from such efforts. |
| 3. | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year | NIL |
| | (a) The details of technology imported | NA |
| | (b) The year of impact | NA |
| | (c) Whether the technology been fully absorbed | NA |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | NA |
| 4. | The expenditure incurred on Research and Development | NIL |

## FOREIGN EXCHANGE EARNINGS AND OUTGO

| Sr. No | Particulars | 2021-2022 | 2020-2021 |
|---|---|---|---|
| 1. | The Foreign Exchange earned in terms of actual inflows during the year; | 1,18,39,83,844 | 1,08,73,98,011 |
| 2. | And the Foreign Exchange outgo during the year in terms of actual outflows. | Nil | 5,75,232 |

For and on behalf of the Board of Directors of
**InfoBeans Technologies Limited**

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Avinash Sethi**
Director & CFO
DIN: 01548292

**Place:** Indore
**Date:** 27th June, 2022

# ANNEXURE-I

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

**1. A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

Pursuant to Section 135 of the Companies Act, 2013("the Act") read with Companies (CSR) Rules, 2014, the Company always explore good opportunities to support poor, helpless, needy and deprived people from the society and endeavor to bring about positive difference to such communities. Through the CSR initiative, the company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build InfoBeans Technologies Limited into an organization which maximizes Stakeholders Value.

As per CSR policy of the Company it would engage in activities whereby our activities further contributes to make a positive change and distinguishing impact on the environment, society, customers and other stakeholders. The core areas of the company for Investment as per the CSR Policy have been Education, Health & Medical Care, Community at large and Environment etc.

The Company's CSR policy can be accessed on:
http://www.Infobeans.com/wp-content/uploads/2015/12/Corporate-Soical-Responsibility-Policy.pdf

**2. Composition of the CSR Committee**

| Sr. No. | Name of Director | Category | Number of Meeting Held and Attended |
|---|---|---|---|
| 1. | Santosh Muchhal (Chairman) | Non-Executive Director | 1 of 1 |
| 2. | Sumer Bahadur Singh (Member) | Non-Executive Director | 1 of 1 |
| 3. | Shilpa Saboo (Member) | Non-Executive Director | 1 of 1 |
| 4. | Siddharth Sethi (Member) | Managing Director | 1 of 1 |

**3.** Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company- https://www.infobeans.com/investors/

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**
Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

**6.**

| Sr. No. | Particulars | Amount in ₹ |
|---|---|---|
| 1 | (a) Two percent of average net profit of the company as per section 135(5) | 60,24,350 |
| 2 | (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | - |
| 3 | Amount required to be set off for the financial year if any, | - |
| 4 | Total CSR obligation for the financial year | 60,24,350 |
| 5 | Total amount spent during the year | 60,26,940 |
| 6 | Total amount unspent, if any | 0 |

**7. (a) CSR amount spent for the financial year:** ₹ 60,26,940

**(b) Details of CSR amount spent against ongoing projects for the financial year:** Not Applicable

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

| Sr. No. | CSR Project or activity identified | Items from the list of activities in schedule VII to the Act. | Local Area (Yes/ No) | Project/ programs(1) Local Area others(2) Specify the state/ District where the Project or Program was Undertaken | Amount spent on the project/ programs Subheads: | Mode of Implementation- Direct (Yes/No) | Name of implementation -Through implementing Agency. | CSR Registration Number |
|---|---|---|---|---|---|---|---|---|
| 1 | Covid-19 | Health | Yes | Jhabua(M.P.) | 1,56,000.00 | Yes | Shivganga Samagra Gram Vikas Parishad, | Reg. No. 03/27/03/10295/07 |
| 2 | Covid-19 | Health | Yes | Jhabua(M.P.) | 2,60,000.00 | Yes | Atamvallabh Parmarthik Trust | - |
| 3 | Covid-19 | Health | Yes | Indore- Covid Support Supplies | 7,55,940.83 | Yes | - | NA |
| 4 | Education | Promoting Education of children | Yes | Indore(M.P.) | 42,55,000.00 | No | InfoBeans Foundation | 03/27/01/19244/16 |
| 5 | Plantation | Ecological Balance and Environment Sustainability | Yes | Indore(M.P.) | 6,00,000.0 | No | Science Eco Foundation | 010/2009-10 |

**(d) Amount spent in Administrative Overheads:** Not Applicable

**(e) Amount spent on Impact Assessment, if applicable:** Not Applicable

**(f) Total amount spent for the Financial Year:** ₹ 60,26,940

**(g) Excess amount for set off, if any:** Not Applicable

**8. (a) Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

**9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable

**10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

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

**Siddharth Sethi**
Managing Director
DIN: 01548305

**Santosh Muchhal**
Chairman of CSR Committee
DIN: 00645172

**Place:** Indore
**Date:** 27th June, 2022

# BUSINESS RESPONSIBILITY REPORT

This section is as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

**1.) Corporate Identity Number (CIN) of the Company:** L72200MP2011PLC025622

**2.) Name of the Company :** InfoBeans Technologies Ltd

**3.) Registered address:** Crystal IT Park, STP-I 2nd Floor, Ring Road, Indore MP 452001 IN

**4.) Website:** https://www.infobeans.com/

**5.) E-mail ID:** compliance@infobeans.com

**6.) Financial year reported:** 1st April, 2021 to 31st March, 2022

**7.) Sector(s) that the Company is engaged in ((industrial activity code-wise):** 85249009

**8.) List three key products/services that the Company manufactures/provides (as in balance sheet):** Product Engineering ,Digital Transformation, Automation & DevOps

**9.) Total number of locations where business activity is undertaken by the Company**

**a. Number of International Locations (Provide details of major 5)**

| Region | Details (No. of Delivery Centre) |
|---|---|
| USA- Silicon Valley, Atlanta (Georgia), Jacksonville (Florida), New York City (New York)) | 4 |
| Germany (Munich) | 1 |
| Dubai, (UAE) | 1 |

**b. Number of National Locations-3** (Indore, Pune & Chennai)

**10.) Markets served by the Company – Local/ State/National/International:** US, Middle East, Europe & India

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

**1. Paid up Capital (INR):** 2,417 Lacs

**2. Total Turnover (INR):** 28,898 Lacs

**3. Total profit after taxes (INR):** 5,504 Lacs

**4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**2% of average net profit for previous three years in respect of standalone

**5. List of activities in which expenditure in 4 above has been incurred:-**

| Category | Amount |
|---|---|
| Education | 42,55,000.00 |
| Health ( Covid-19) | 1171940.83 |
| Environment Sustainability | 6,00,000 |

## SECTION C: OTHER DETAILS

**1. Does the Company have any Subsidiary Company/ Companies? :** Yes

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?** If yes, then indicate the number of such subsidiary company(s) – 4

**Our responsibility practices and reporting are focused on India. However, our subsidiaries vision and values are aligned with us, and are responsible businesses.**

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company?** If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]- No

## SECTION D: BR INFORMATION

**1. Details of Director/Directors responsible for BR**

**(a) Details of the Director/Directors responsible for implementation of the BR policy/policies**

| DIN Number | Name | Designation |
|---|---|---|
| 01548292 | Avinash Sethi | Director & CFO |
| 01548305 | Siddharth Sethi | Managing Director |
| 01567885 | Mitesh Bohra | Executive Director |

**(b) Details of the BR head**

| No. | Particulars | Details |
|---|---|---|
| 1 | DIN Number (if applicable) | 01548292 |
| 2 | Name | Avinash Sethi |
| 3 | Designation | Director & CFO |
| 4 | Telephone No. | 0731-7162003 |
| 5 | E-mail Id | avinash@infobeans.com |

### 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1- Business should conduct and govern themselves with Ethics, Transparency and Accountability.

P2- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3- Businesses should promote the wellbeing of all employees.

P4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5- Businesses should respect and promote human rights.

P6- Business should respect, protect, and make efforts to restore the environment.

P7- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8- Businesses should support inclusive growth and equitable development.

P9- Businesses should engage with and provide value to their customers and consumers in a responsible manner.

#### (a) Details of compliance (Reply in Y/N)

| No. | Questions | P | P | P | P | P | P | P | P | P |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1 | Do you have a policy / policies for.... | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 2 | Has the policy being formulated in consultation with the relevant stakeholders? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 3 | Does the policy conform to any national / international standards? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 4 | Has the policy been approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 5 | Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 6 | Indicate the link for the policy to be viewed online? | Y* | NA | Y** | Y*** | Y**** | Y*** | N | Y*** | Y***** |
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 8 | Does the company have in-house structure to implement the policy/ policies? | Y | NA | Y | Y | Y | Y | N | 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? | Y | NA | Y | Y | Y | Y | N | Y | Y |
| 10 | Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? | Y | NA | Y | Y | Y | Y | N | Y | Y |

*Link for P1: https://www.infobeans.com/wp-content/uploads/2019/06/Draft-CODE-OF-CONDUCT.pdf

& https://www.infobeans.com/wp-content/uploads/2015/12/Whistle-Blower-Policy.pdf

** Link for P3: https://www.infobeans.com/infobeans-committed-flatten-curve &

**POSH Policy: https://www.infobeans.com/wp-content/uploads/2020/07/Prevention-of-Sexual-Harassment-Policy-1.pdf

***Link for P3, P4, P6 & P8: https://www.infobeans.com/wp-content/uploads/2015/12/Corporate-Soical-Responsibility-Policy.pdf

****Link for P5- https://www.infobeans.com/about/infobeans-foundation

*****Link for P9: https://www.infobeans.com/about/awards-recognition

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

| No. | Questions | P | P | P | P | P | P | P | P | P |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 1 | The company has not understood the Principles | - | - | - | - | - | - | - | - | - |
| 2 | The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles | - | - | - | - | - | - | - | - | - |
| 3 | The company does not have financial or manpower resources available for the task | - | - | - | - | - | - | - | - | - |
| 4 | It is planned to be done within next 6 months | - | - | - | - | - | - | - | -- | - |
| 5 | It is planned to be done within the next 1 year | - | - | - | - | - | - | - | - | - |
| 6 | Any other reason (please specify) | - | Being IT Company our services allow customers to use it repeatedly and our product/ services does not not involve ESG risks. Company do not have any distinct policy for same | - | - | - | - | Company do not have any distinct policy for same, but we are actively working with MP Govt & NASSCOM | - | - |

**3. Governance related to 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 BR performance of the Company is generally assessed on annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?: First Business Responsibility Report for the Financial Year 2019-20 was published along with the Annual Report (forming part of the Annual Report) and the same would be published on yearly basis thereafter along with Annual Report.

## SECTION E- PRINCIPLE WISE PERFORMANCE

### Principle 1

| Sr No. | Principle 1 | Answers |
|---|---|---|
| 1 | 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 has formulated, policies covering issues such as ethics, bribery and corruption including the policy for Prevention of Sexual Harassment, Whistle Blower policy, which extend to vendors, contractors, visitors including employees and Board Members of the Company. The Company has also formulated a Code of Conduct, as mandated by SEBI, which specifies the guidelines for behavior, duties and responsibilities for its Directors and Senior Management. The Company conducts all its business activities in an honest and ethical manner and takes zero-tolerance approach to bribery and corruption in all its business dealings and relationships. The Business Code of Conduct is also extended to all its Suppliers. |

| | | |
|---|---|---|
| 2 | How many stakeholders' 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. | No Stakeholders complaints have been received in the last fiscal year. |

**Principle 2**

| Sr No. | Principle 2 | Answers |
|---|---|---|
| 1 | List up to 3 of your product or services whose design has incorporated social or environmental concerns, risks and/or opportunities | Since we are IT Company hence our products and services do not involve ESG risks. We are highly concerned about the environmental issues and follow the "Zero Waste Principle". We have also planted many trees in the nearby area of office and almost every year we organize the plantation drive. |
| 2 | For each such product, provide the following details in respect of resource used (Energy, Water, Raw material etc.) per unit of product (optional)<br>a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? Not applicable.<br>b) Reduction during usage by consumers (energy, water) has been achieved since the previous year: Not applicable | NA |
| 3 | Does the company have procedures in place for sustainable sourcing (including transportation)?<br>a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. | NA |
| 4. | Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?<br>If yes, what steps have been taken to improve their capacity and capability of local and small vendors? | NA |
| 5. | Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so. | NA |

**Principle 3**

| Sr No. | Principle 3 | Answers |
|---|---|---|
| 1. | Please indicate the total number of employees. | Total number of employee count is 1099 as on 31st March, 2022 |
| | Please indicate the total number of employees hired on temporary/ contractual/ casual basis. | Total number of employees as on 31st March, 2022 is 73. |
| 2. | Please indicate the Number of permanent employees with disabilities. | Nil |
| 3. | Please indicate the Number of permanent women employees. | The number of permanent women employees is 373 as on 31st March, 2022. |
| 4. | Do you have an employee association that is recognized by management? | No |
| 5. | What percentages of your permanent employees are members of this recognized employee association? | N.A. |
| 6. | 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 |

| | | |
|---|---|---|
| 7. | What percentage of your under mentioned employees were given safety & skill upgradation training in the last year? | |
| | (a) Permanent Employees - | 98% |
| | (b) Permanent Women Employees- | 100% |
| | (c) Casual/Temporary/Contractual Employees - | 98% |
| | (d) Employees with Disabilities - | Nil |

**Principle 4**

| Sr No. | Principle 4 | Answers |
|---|---|---|
| 1. | Has the company mapped its internal and external stakeholders? | Yes |
| 2. | Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders | No /It's an ongoing process we are still working on it. |
| 3. | Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so: | Under our CSR initiatives with InfoBeans Foundation we are focusing more on the Computer literacy and for that we have Launched Information Technology Excellence Programme (ITEP) also, where we have shortlisted few needy students and free training programme will be provided to them. Please refer to the CSR Section of the Annual Report for more details. |

**Principle 5**

| Sr No. | Principle 5 | Answers |
|---|---|---|
| 1. | Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others? | Being an IT company we have always followed the principle of people first. We endorse the importance of human rights at all levels at all times, but as of now we don't have any specific policy for the same. |
| 2. | How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? | Nil |

**Principle 6**

| Sr No. | Principle 6 | Answers |
|---|---|---|
| 1. | Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others | No |
| 2. | Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc: | Yes, we spend on planting trees every year. We also conduct the plantation drive in the last fiscal year. Our business also helps in reducing paper. |
| 3. | Does the company identify and assess potential environmental risks? | No |
| 4. | Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? NA | No |
| 5. | Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. NA | NA |

| | | |
|---|---|---|
| 6. | Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? NA | NA |
| 7. | Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. NA | No |

**Principle 7**

| Sr No. | Principle 7 | Answers |
|---|---|---|
| 1 | Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with. | NASSCOM |
| 2 | 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). | We have worked actively with MP govt. and NASSCOM for such kind of areas. |

**Principle 8**

| Sr No. | Principle 8 | Answers |
|---|---|---|
| 1. | Does the company have specified program/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof? | Please refer to the CSR Section of the Report. |
| 2. | Are the program/projects undertaken through in-house team/ own foundation/ external NGO/government structures/any other organization? | Yes such program/projects are undertaken through InfoBeans Social and Educational Welfare Society. |
| 3. | Have you done any impact assessment of your initiative? | No |
| 4. | What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken? | Refer to CSR Section (Annexure J) |
| 5. | Have you taken steps to ensure that this community development initiative is successfully adopted by the community? | Yes |

**Principle 9**

| Sr No. | Principle 9 | Answers |
|---|---|---|
| 1. | What percentage of customer complaints/consumer cases are pending as on the end of financial year | Nil |
| 2. | Does the company display product information on the product label, over and above what is mandated as per local laws? | Since we are into the service Industry hence this is not applicable on us. |
| 3. | Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so: | Nil |
| 4. | Did your company carry out any consumer survey/ consumer satisfaction trends? | Yes |

# 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,
The Members of
**INFOBEANS TECHNOLOGIES LIMITED**
Crystal IT Park, STP-I 2nd Floor,
Ring Road, Indore (MP) - 452001 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of INFOBEANS TECHNOLOGIES LIMITED having CIN: L72200MP2011PLC025622 and having registered officeat Crystal IT Park, STP-I 2nd Floor, Ring Road, Indore (MP) - 452001 IN (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 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.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---|---|---|---|
| 1. | Mr. Avinash Sethi | 01548292 | 18/03/2011 |
| 2. | Mr. Siddharth Sethi | 01548305 | 18/03/2011 |
| 3 | Mr. Mitesh Bohra | 01567885 | 16/04/2011 |
| 4. | Ms. Shilpa Saboo | 06454413 | 15/07/2015 |
| 5. | Mr. Sumer Bahadur Singh | 07514667 | 22/12/2016 |
| 6. | Mr. Santosh Muchhal | 00645172 | 28/02/2015 |

Ensuring the eligibility of 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 theCompany.

For **M. Maheshwari & Associates**
Company Secretaries
Firms U.C.N. I2001MP213000

**Place:** Indore
**Date:** 24th June, 2022
**UDIN:** F005174D000528719

**Manish Maheshwari**
Proprietor
FCS-5174
CP-3860

# COMPLIANCE CERTIFICATE

{Under Regulation 34(3) and Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}

To,
The Members
**InfoBeans Technologies Limited**
(CIN L72200MP2011PLC025622)
Dear Sir(s)/Madam,

We have examined the compliance of the conditions of Corporate Governance by InfoBeans Technologies Limited ('the Company') for the year ended on 31st March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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 explanations given to us, and the representations made by the Directors and the Management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2022.

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 **M. Maheshwari & Associates**
Company Secretaries
Firms U.C.N. I2001MP213000

**Manish Maheshwari**
Proprietor
FCS-5174
CP-3860

**Place:** Indore
**Date:** 24th June, 2022
**UDIN:** F005174D000528719

# INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
**InfoBeans Technologies Limited**,

Report on the Audit of the Standalone Financial Statements

## OPINION

We have audited the standalone financial statements of **InfoBeans Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## MANAGEMENT'S RESPONSIBILITIES 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.

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

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

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order,2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit 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 bylaw have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of 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 does not have any pending litigations which would impact its financial position as on March 31, 2022.

      ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

      iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report, is in compliance with Section 123 of the Act. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Theamount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For, **Basant Jain & Co.**
Chartered Accountants
FRN:-005128C

**CA. Basant Jain**
Partner
M. No. 073966
UDIN: 22073966AKVFXD3366

**Place:** Indore
**Date:** 27-04-2022

# ANNEXURE "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of InfoBeans Technologies Limited of even date)"

"To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a)

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not own any immovable property. Accordingly, paragraph 3(i)(c)of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

(ii)

(a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable

(iii) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section

148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, CASs and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961(43 of 1961).

(ix)

(a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanation given to us, the company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.

(d) The Company has not raised any funds on short term basis hence reporting under clause 3(ix)(d) of the order is not applicable.

(e) On overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanations given to us by the management, there were no whistle-blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv)

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) &(b) of the Order is not applicable for the year.

For, **Basant Jain & Co.**
Chartered Accountants
FRN:-005128C

**Place:** Indore
**Date:** 27-04-2022

**CA. Basant Jain**
Partner
M. No. 073966
UDIN: 22073966AKVFXD3366

# ANNEXURE "B"

**TO INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of InfoBeans Technologies Limited of even date)

## 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 **InfoBeans Technologies Limited** ('the Company') as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

## MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of the company 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## AUDITORS' 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') issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## 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, to the best of our information and according to the explanations given to us, the Company has, 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, 2022, based on the criteria for internal financial control over financial reporting 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, **Basant Jain & Co.**
Chartered Accountants
FRN:-005128C

**Place:** Indore
**Date:** 27-04-2022

**CA. Basant Jain**
Partner
M. No. 073966
UDIN: 22073966AKVFXD3366

# STANDALONE BALANCE SHEET
**as at March 31, 2022**

(Amount in Lacs.)

| Particulars | Note | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 5A | 1,280 | 1,139 |
| (b) Right-of-use asset | 35 | 469 | 817 |
| (c) Other Intangible assets | 5B | 34 | 16 |
| (d) Financial assets | | | |
| i) Investments | 6 | 21,054 | 10,599 |
| ii) Other financial assets | 7 | 76 | 111 |
| (e) Deferred tax assets (Net) | 32 | 1,679 | 1,440 |
| (f) Income tax assets (net) | 8 | 89 | - |
| (g) Other non-current assets | 9 | 6 | 14 |
| **Total non-current assets** | | **24,687** | **14,136** |
| **2. Current assets** | | | |
| (a) Financial assets | | | |
| i) Investments | 10 | 287 | 393 |
| ii) Trade receivables | 11 | 4,819 | 3,282 |
| iii) Cash and cash equivalents | 12 | 671 | 662 |
| iv) Bank balances other than (i) above | 12 | 770 | 1,335 |
| v) Other financial assets | 13 | 347 | 195 |
| (b) Other current assets | 14 | 237 | 188 |
| **Total current assets** | | **7,131** | **6,055** |
| **Total assets (1+2)** | | **31,818** | **20,191** |
| **EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 15 (A) | 2,417 | 2,402 |
| (b) Other equity | 15 (B) | 17,890 | 15,844 |
| **Total equity** | | **20,307** | **18,246** |
| **2. Liabilities** | | | |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| i) Borrowings | 16 | - | 1 |
| ii) Lease liabilities | 17 | 236 | 378 |
| iii) Other financial liabilities | 18 | 489 | - |
| (b) Provisions | 19 | 678 | 650 |
| **Total non-current liabilities** | | **1,403** | **1,029** |
| **Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| i) Borrowings | 20 | 1 | 4 |
| ii) Lease liability | 21 | 292 | 494 |
| iii) Trade payables | 22 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 155 | 21 |
| iv) Other financial liabilities | 23 | 9,202 | 36 |
| (b) Other current liabilities | 25 | 278 | 361 |
| (c) Provisions | 26 | 180 | - |
| (d) Current tax liabilities (net) | 24 | - | 0 |
| **Total current liabilities** | | **10,108** | **916** |
| **Total equity and liabilities (1+2)** | | **31,818** | **20,191** |

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**For and on behalf of Board of Directors**

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVFXD3366

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# STANDALONE STATEMENT OF PROFIT AND LOSS

**for the year March 31, 2022**

(Amount in Lacs.)

| Particulars | Note | March 31, 2022 | March 31, 2021 |
|---|---|---|---|
| **1. Income** | | | |
| (a) Revenue from Operations | 27 | 15,892 | 11,833 |
| (b) Other Income | 28 | 668 | 713 |
| **Total Income (I)** | | **16,560** | **12,546** |
| **2. Expenses** | | | |
| (a) Employee Benefits Expense | 29 | 10,882 | 7,274 |
| (b) Finance Costs | 30 | 242 | 77 |
| (c) Depreciation and Amortization Expenses | 5 (A) & (B) & 30 | 595 | 606 |
| (d) Other Expenses | 31 | 1,699 | 879 |
| **Total Expenses (II)** | | **13,418** | **8,836** |
| **3. Profit Before Tax (I - II)** | | **3,142** | **3,710** |
| **4. Tax Expense** | | | |
| (a) Current Tax | 32 | 586 | 641 |
| (b) Deferred Tax | 32 | (221) | (312) |
| (c) Tax in respect of Earlier Year | | - | (17) |
| **5. Profit for the Year** | | **2,777** | **3,398** |
| **6. Other Comprehensive Income** | | | |
| (a) Items that will not be reclassified to profit or loss | | (61) | (23) |
| (b) Income tax relating to items that will not be reclassified to profit or loss | | 18 | 7 |
| **Total Other Comprehensive Income/(Loss)** | | **(43)** | **(16)** |
| **7. Total Comprehensive Income for the year** | | **2,734** | **3,382** |
| **8. Earning Per Equity Share** | 36 | | |
| Equity Shares of par value ₹10/- each | | | |
| (1) Basic (₹) | | 11.51 | 14.15 |
| (2) Diluted (₹) | | 11.41 | 13.98 |

See accompanying notes forming part of the financial statements

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For **Basant Jain & Co.**
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(DIN : 01548305)

**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# STANDALONE STATEMENT OF CASH FLOWS
**for the year ended March 31, 2022**

(Amount in Lacs.)

| | Particulars | For year ended March 31, 2022 | For year ended March 31, 2021 |
|---|---|---|---|
| **A.** | **Cash flows from operating activities** | | |
| | **Profit before tax** | **3,142** | **3,710** |
| | **Adjustments for:** | | |
| | Depreciation and amortisation | 595 | 606 |
| | Unrealised foreign exchange gain | - | (6) |
| | Loss/ gain on sale of property, plant and equipment (net) | - | - |
| | Employee compensation expense | 35 | 265 |
| | Finance cost | 242 | 77 |
| | Dividend income | - | (20) |
| | Profit on redemption of mutual funds | (62) | (27) |
| | Interest income | (275) | (350) |
| | Profit on sale of preference shares | - | (84) |
| | FVTPL of investment | (97) | (160) |
| | **Operating profit before working capital changes** | **3,580** | **4,011** |
| | **Adjustment for working capital changes** | | |
| | Decrease / (Increase) in current and non-current financial assets | (1,641) | (652) |
| | Decrease / (Increase) in other current and non-current assets | (41) | (59) |
| | Increase in other non-current liabilities | (33) | 51 |
| | Increase / (Decrease) in current and non- current financial liabilities | 180 | 10 |
| | Increase / (Decrease) in other current liabilities | 98 | 216 |
| | **Cash flow from operating activities** | **2,143** | **3,577** |
| | Income taxes paid | (676) | (635) |
| | **Net cash generated from operating activities (A)** | **1,467** | **2,942** |
| **B.** | **Cash flows from investing activities** | | |
| | Payments for property, plant and equipment | (486) | (835) |
| | Sale of property, plant and equipment | 3 | 1 |
| | Purchase consideration paid towards acquisition of subsidiary | (1,633) | - |
| | Investment/ disinvestment in mutual fund & bonds(net) | 871 | (1,221) |
| | Dividend received | - | 20 |
| | Investment/ disinvestment in fixed deposit (net) | 565 | (835) |
| | Interest received | 262 | 297 |
| | **Net cash used in investing activities (B)** | **(418)** | **(2,573)** |
| **C.** | **Cash flows from financing activities** | | |
| | Proceeds from issue of share capital | 15 | - |
| | Recognition of share based payment | 0 | - |
| | Repayment of borrowings | (4) | (4) |
| | Finance cost paid | (62) | (77) |
| | Payment of lease liability (net) | (266) | 270 |
| | Dividend paid, including dividend distribution tax | (723) | - |
| | **Net cash generated from financing activities (C)** | **(1,040)** | **189** |
| | **Net decrease in cash and cash equivalents (A+B+C)** | **9** | **558** |
| | **Cash and cash equivalents at the beginning of the year** | **662** | **104** |
| | **Cash and cash equivalents at end of the year** | **671** | **662** |

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

For and on behalf of Board of Directors

**CA. Basant Jain**
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**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# STANDALONE STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

(Amount in Lacs.)

| | |
|---|---|
| **Balance as at April 1, 2020** | **2,402** |
| Changes in equity share capital during the year | - |
| Issue of equity shares | - |
| **Balance as at March 31, 2021** | **2,402** |
| Changes in equity share capital during the year | - |
| Issue of equity shares | 15 |
| **Balance as at March 31, 2022** | **2,417** |

## B. OTHER EQUITY

(Amount in Lacs.)

| Particulars | Reserves and Surplus | | | | | | Total Other Equity |
|---|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium reserve | General reserve | Share option outstanding account | Retained earnings | Other Comprehensive Income | |
| **Balance as at April 1, 2020** | **615** | **2,887** | **253** | **37** | **8,423** | **(18)** | **12,197** |
| Profit for the year | - | - | - | - | 3,398 | - | 3,398 |
| Other comprehensive income for the year, net of income tax | - | - | - | - | - | (16) | (16) |
| Recognition of share based payment expenses | - | - | - | 265 | - | - | 265 |
| **Balance as at March 31, 2021** | **615** | **2,887** | **253** | **302** | **11,821** | **(34)** | **15,844** |
| Profit for the year | - | - | - | - | 2,777 | - | 2,777 |
| Other comprehensive income for the year, net of income tax | - | - | - | - | - | (43) | (43) |
| Addition during the year | - | 136 | - | - | - | - | 136 |
| Recognition of share based payment expenses | - | - | - | (101) | - | - | (101) |
| Transactions with owners in their capacity as owners | - | - | - | - | - | - | - |
| - Interim Dividend | - | - | - | - | (723) | - | (723) |
| **Balance as at March 31, 2022** | **615** | **3,023** | **253** | **201** | **13,875** | **(77)** | **17,890** |

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

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Managing Director
(DIN : 01548305)

**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# NOTES TO THE FINANCIAL STATEMENTS

**for the year ended March 31, 2022**

## 1. CORPORATE INFORMATION

InfoBeans Technologies Ltd (the “company”), operating at CMMI level 3, is a public limited company domiciled in India and, and listed on the National Stock Exchange Limited. The Company is primarily engaged in software development services, specializing in business application development for web and mobile and operate at Capability Maturity Model Integration (CMMI) level 3. Our verticals can be broadly categorized as Product Engineering, Digital Transformation & Automation and DevOps.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of compliance and Basis of preparation and presentation

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policy below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### b) Revenue

Revenue from information technology andrelated services include revenue earned from services rendered on ‘time and material’ basis, time bound fixed price engagements and fixed price development contracts.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items. Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed price maintenance contracts is recognised ratably over the period of the contract in accordance with its terms.

Revenue on fixed price development contracts is recognised using the ‘percentage of completion’method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability (“Unearned revenue”) arises when there are billing in excess of revenue.

Dividend income is recognised when the Company’s right to receive dividend is established. Interest income is recognised using effective interest rate method.

### c) Foreign currencies

The Company’s financial statements are presented in INR, which is also the Company’s functional currency.

Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

Non-monetary foreign currency items are measured in terms of historical cost in the foreign currency and are not retranslated.

### d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.”

### e) Employee benefits

#### (i) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

**Defined benefit costs are categorised as follows:**

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense.' Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of termination benefit and when the entity recognises any related restructuring costs.

### (ii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

### (iii) Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered/reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70."

## f) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### (i) Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current period is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. 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.

### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### (iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### g) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Company's accounting policy.

Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Depreciation is recognised so as to write off the cost of assets (other than free hold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Estimated useful lives of the assets are as follows:

| Particulars | Useful life (in years) |
|---|---|
| | As per Company |
| Leasehold improvements | 10 |
| Electric installation | 10 |
| Office equipments | 5 |
| Furniture and fixtures | 10 |
| Vehicles | 8 |
| Computers | 3 to 6 |

### h) Intangible assets

Intangible assets with finite useful lives that are acquired seperately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

The estimated useful life for intangible assets is 3 to 10 years. The estimated useful and amortisation method are reviewed at each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets with indenfinite useful lives that are acquired seperately are carried at cost less accumulated impairment loss.

### i) Impairment of tangible and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication that those assets have suffered any impairment loss. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the 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 assets for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. Reversal of an impairment loss is recognised immediately in profit or loss.

### j) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to make the sale.

### k) Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainities surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurance or non-occurance of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that the 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits to be received from the contracts.

## l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

### (ii) Financial assets

#### (I) Classification of financial assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

#### (II) Subsequent measurement

- Debt Instrument - amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

(a) if the asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income (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.

(b) The asset's contractual cash flows represent solely payments of principal and interest.

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 and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

- Fair value through Profit and Loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or 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."

#### (III) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**(IV) Effective interest method**

"The effective interest method is a method of calculating the amozrtized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimating future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the ""Other income"" line item."

**(V) Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI) Expected credit losses are measured through a loss allowance at an amount equal to:
- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable 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 analysed.

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 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 Company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**(iii) Financial liabilities and equity instruments**

**(I) Classification of debt or equity**

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- Equity instruments: An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**(II) Subsequent measurement**

- Financial liabilities measured at amortised cost: Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- Financial liabilities measured at fair value through profit and loss (FVTPL): 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied."

**(III) Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**(IV) Fair value measurement**

The Company measures financial instruments such as debts and certain investments, 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, 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 measuremen tis unobservable.

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(V) Financial Guarantee contracts**

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

## m) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in 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.

## n) Leases

### Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

**Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease."

### o) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results are anti-dilutive.

### p) Employee Stock Option Plans

Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

## 3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires the 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### (i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### (ii) Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

### (iii) Allowance for uncollectible 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. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

## 4. RECENT PRONOUNCEMENTS

On March 24, 2021, the Ministry of Corporate Affairs (""MCA"") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of Profit and Loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency. specified under the head 'additional information' in the notes forming part of Standalone Financial Statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## NOTE 5(A) - PROPERTY, PLANT AND EQUIPMENT

(Amount in Lacs.)

| Description of assets | Leasehold Improvement | Computers | Electrical Installation | Furniture and fixtures | Vehicles | Office Equipments | Total |
|---|---|---|---|---|---|---|---|
| **I. Cost** | | | | | | | |
| **Balance as at April 01, 2020** | **578** | **411** | **410** | **689** | **74** | **63** | **2,225** |
| Additions | 20 | 90 | 17 | 14 | 125 | 9 | 276 |
| Disposals | - | (1) | - | - | - | - | (1) |
| **Balance as at March 31, 2021** | **598** | **499** | **427** | **703** | **199** | **72** | **2,500** |
| Reclass | 1 | (30) | (201) | (0) | (0) | 200 | (31) |
| Additions | 14 | 327 | - | 60 | 65 | 11 | 477 |
| Disposals | | 3 | | | | | 3 |
| **Balance as at March 31, 2022** | **613** | **793** | **226** | **763** | **264** | **283** | **2,943** |
| **II. Accumulated depreciation/impairment** | | | | | | | |
| **Balance as at April 01, 2020** | **331** | **299** | **221** | **179** | **30** | **37** | **1,097** |
| Depreciation for the year | 74 | 54 | 48 | 66 | 13 | 9 | 264 |
| Disposal | - | - | - | - | - | - | - |
| **Balance as at March 31, 2021** | **405** | **353** | **269** | **245** | **43** | **46** | **1,361** |
| Reclass | 1 | 3 | (125) | (9) | 1 | 125 | (4) |
| Depreciation for the year | 70 | 87 | 23 | 70 | 26 | 30 | 306 |
| Disposal | | 0 | | | | | 0 |
| **Balance as at March 31, 2022** | **476** | **443** | **167** | **306** | **70** | **201** | **1,663** |
| **Net block (I-II)** | | | | | | | |
| **Balance as at March 31, 2022** | **138** | **350** | **59** | **457** | **194** | **82** | **1,280** |
| Balance as at March 31, 2021 | 193 | 146 | 158 | 458 | 156 | 26 | 1,139 |

## NOTE 5(B) - GOODWILL AND INTANGIBLE ASSETS

(Amount in Lacs.)

| Description of asset | Software | Trademark | Total |
|---|---|---|---|
| **I. Cost** | | | |
| **Balance as at April 01, 2020** | **151** | **3** | **154** |
| Additions | - | - | - |
| **Balance as at March 31, 2021** | **151** | **3** | **154** |
| Reclass | 31 | 0 | 31 |
| Additions | 9 | - | 9 |
| **Balance as at March 31, 2022** | **191** | **3** | **194** |
| **II. Accumulated impairment losses** | | | |
| **Balance as at April 01, 2020** | **119** | **-** | **119** |
| Amortization for the year | 18 | 1 | 18 |
| **Balance as at March 31, 2021** | **137** | **1** | **137** |
| Reclass | 4 | 0 | 4 |
| Amortization for the year | 18 | 0 | 18 |
| **Balance as at March 31, 2022** | **159** | **1** | **160** |
| **Net block (I-II)** | | | |
| **Balance as at March 31, 2022** | **32** | **2** | **34** |
| Balance as at March 31, 2021 | 14 | 2 | 16 |

## NOTE 6 NON CURRENT INVESTMENTS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Investment in subsidiaries (carried at cost)** | | |
| **Investment in Equity Instruments (Unquoted)** | | |
| **Wholly owned- unquoted** | | |
| - InfoBeans INC (100% Subsidiary) | 3,641 | 3,641 |
| (1800 Equity shares (Previous Year 1800 Equity Shares)) | | |
| - InfoBeans Technologies DMCC (100% Subsidiary) | 38 | 38 |
| (50 Equity shares ( Previous Year 50 Equity Shares)) | | |
| - InfoBeans Technologies Europe GmbH (100% Subsidiary) | 208 | 208 |
| (278750 Shares (Previous Year 278750 Shares)) | | |
| - Eternus Solutions Private Limited (100% Subsidiary) | 11,062 | - |
| (705000 Equity Shares( Previous Year nil)) | | |
| **Investment in subsidiaries (carried at cost)** | | |
| **Investment in Preference shares (Unquoted)** | | |
| **Wholly owned- unquoted** | | |
| - Eternus Solutions Private Limited Preference shares | 4,891 | - |
| (233008 Compulsory convertible preference Shares( Previous Year Nil)) | | |
| **Investment at amortised cost** | | |
| **Investment in bonds (Unquoted)** | | |
| - L&T Finance Bond (7.75% Coupon Rate) | 521 | 529 |
| - HDB FS Ltd. Bond - (7.76% Coupon Rate) | - | 624 |
| - HDFC LTD Bond SR-Q-009 (6.99% Coupon Rate) | - | 513 |
| - ICICI Perpetual Bond (9.20% Coupon Rate) | - | 200 |
| - Manappuram Finance Ltd. Bond (8.75% Coupon Rate) | - | 266 |
| - Muthoot Finance Ltd (Bond) (7.40% Coupon Rate) | - | 268 |
| - SBI Perpetual Bond (8.39% Coupon Rate) | - | 514 |
| - Shriram City Union Finance Debenture (9.55% Coupon Rate) | - | 218 |
| - Shriram Transport Finance Bond (9.10% Coupon Rate) | - | 208 |
| - SBI Cards Bond (8.10% Coupon Rate) | - | 508 |
| - Shriram Tranport Finance Co Bond (9.50% Coupon Rate) | - | 204 |
| **Investment at fair value through profit and loss** | | |
| **Investment in Mutual Fund (Quoted)** | | |
| - Bharat Bond | - | 502 |
| (Nil units (Previous year 11.3294 units)) | | |
| - IDFC Corporate Bond Fund | 105 | 101 |
| (671,215.499 units (Previous Year 671,215.499 units)) | | |
| - Kotak Low Duration Fund Direct Growth | - | 406 |
| (Nil units (Previous Year 14645.687)) | | |
| - UTI Short Term Income Fund | - | 528 |
| (Nil units (Previous Year 2165043.686 units)) | | |

| | | |
|---|---|---|
| - ICICI Prudential Corporate Bond Fund | 70 | 625 |
| (284679.549 units (Previous Year 2646247.361 units)) | | |
| - HDFC FMP Fund | 256 | 246 |
| (2000000 units (Previous Year 2000000 units)) | | |
| - ICICI Prudential Fixed Maturity Plan | 262 | 252 |
| (2000000 units (Previous Year 2000000 units)) | | |
| **Total** | **21,054** | **10,599** |

## NOTE 7 OTHER FINANCIAL ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unsecured considered goods** | | |
| Security Deposit | 76 | 111 |
| **Total** | **76** | **111** |

## NOTE 8 INCOME TAX ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Advance tax | 89 | - |
| [Net Provision for Tax ₹ 586.34 Lacs<br>(As at March 31, 2021: 640.51 Lacs )] | | |
| **Total** | **89** | **-** |

## NOTE 9 OTHER NON CURRENT ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unsecured considered good** | | |
| Prepaid expense | 6 | 14 |
| **Total** | **6** | **14** |

## NOTE 10 CURRENT INVESTMENTS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Investment at fair value through profit and loss** | | |
| **Investment in Mutual Fund (Quoted)** | | |
| - Aditya Birla Sun Cash Plus | 287 | - |
| (83550.916 units (Previous Year NIL units)) | | |
| - Aditya Birla Sun Life Savings Fund | - | 393 |
| (NIL units (Previous Year 92150.886 units)) | | |
| **Total** | **287** | **393** |

## NOTE 11 TRADE RECEIVABLES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade Receivables | 2,559 | 1,880 |
| Receivables from other related parties (Note 38) | 2,260 | 1,402 |
| **Total** | **4,819** | **3,282** |

### Break-up for security details:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Trade receivables** | | |
| Secured, considered good (Refer ageing below) | 4,819 | 3,282 |
| Unsecured, considered good | | |
| Trade Receivables which have significant increase in credit risk | | |
| Trade Receivables - credit impaired | | |
| | **4,819** | **3,282** |
| **Impairment Allowance (allowance for bad and doubtful debts)** | | |
| Unsecured, considered good | - | - |
| Trade Receivables which have significant increase in credit Risk | - | - |
| Trade Receivables - credit impaired | - | - |
| **Total** | **-** | **-** |

### Trade receivables Ageing Schedule

As at March 31, 2022

(Amount in Lacs.)

| Particulars | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 2,936 | 1,692 | 191 | - | - | - | 4,819 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| **Total** | **2,936** | **1,692** | **191** | **-** | **-** | **-** | **4,819** |

As at March 31, 2021

(Amount in Lacs.)

| Particulars | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 20 | 3,166 | 96 | - | - | - | 3,282 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| **Total** | **20** | **3,166** | **96** | **-** | **-** | **-** | **3,282** |

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

## NOTE 12 CASH AND BANK BALANCES

(Amount in Lacs.)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **a)** | **Cash and cash equivalents** | | |
| | Balance with banks | | |
| | - in current accounts | 670 | 661 |
| | Cash in hand | 1 | 1 |
| | **Total** | **671** | **662** |
| **b)** | **Bank balances other than those disclosed above** | | |
| | Balance with banks | | |
| | - in deposit accounts* | 770 | 1,335 |
| | **Total** | **1,441** | **1,997** |

*Deposit accounts with banks having maturity more than 3 months but less than 12 months)

## NOTE 13 OTHER FINANCIAL ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Employees Advance | 14 | 9 |
| Accrued Revenue(Refer ageing below) | 249 | 115 |
| Other Advances | 7 | 7 |
| Accrued interest | 77 | 65 |
| **Total** | **347** | **195** |

### Unbilled Revenue Ageing Schedule

As at March 31, 2022

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | Current but not due | Less than 6 Months | 6 months – 1 year | Total |
| Undisputed Unbilled Revenue – considered good | - | 249 | - | 249 |
| Undisputed Unbilled Revenue – which have significant increase in credit risk | - | - | - | - |
| **Total** | **-** | **249** | **-** | **249** |

As at March 31, 2021

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | Current but not due | Less than 6 Months | 6 months – 1 year | Total |
| Undisputed Unbilled Revenue – considered good | - | 115 | - | 115 |
| Undisputed Unbilled Revenue – which have significant increase in credit risk | - | - | - | - |
| **Total** | **-** | **115** | **-** | **115** |

## NOTE 14 OTHER CURRENT ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Prepaid Expenses | 146 | 81 |
| Travelling advance to employees | 21 | 5 |
| Balances with Government Department | 12 | 42 |
| Advance to Supplier | 58 | 60 |
| **Total** | **237** | **188** |

## NOTE 15(A) - EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | Amount in Lacs. | No. of shares | Amount in Lacs. |
| **(a) Authorised** | | | | |
| Equity shares of Lacs. 10 each | 250 | 2,500 | 250 | 2,500 |
| **Total** | **250** | **2,500** | **250** | **2,500** |
| **(b) Issued, subscribed and fully paid up** | | | | |
| Equity shares of Lacs. 10 each | 242 | 2,417 | 240 | 2,402 |
| **Total** | **242** | **2,417** | **240** | **2,402** |

### (c) Reconciliation of the equity shares outstanding

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | Amount in Lacs. | No. of shares | Amount in Lacs. |
| At the beginning of the year | 240 | 2,402 | 240 | 2,402 |
| Issued during the year | 2 | 15 | - | - |
| **Outstanding at the end of the year** | **242** | **2,417** | **240** | **2,402** |

### (d) Terms/ Right attached to Shares

(i) The equity shares of the Company, having par value of Lacs. 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholdeLacs.

### (e) Details of shares held by each shareholder holding more than 5% shares:

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares held | % of holding | No. of shares held | % of holding |
| Mr. Avinash Sethi | 59.46 | 24.60% | 60.00 | 24.98% |
| Mr. Siddharth Sethi | 60.07 | 24.85% | 60.01 | 24.99% |
| Mr. Mitesh Bohra | 50.13 | 20.74% | 50.16 | 20.89% |
| Mr. Mukul Agrawal | 12.50 | 5.17% | - | 0.00% |

### Details of shares held by promoters

As at March 31, 2022

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Equity shares of INR 1 each fully paid | Siddharth Sethi | 60.01 | 0.06 | 60.07 | 24.85% | 0.00 |
| | Mitesh Bohra | 50.16 | (0.03) | 50.13 | 20.74% | (0.00) |
| | Avinash Sethi | 60.00 | (0.54) | 59.46 | 24.60% | (0.00) |
| | Shashikala Bohra | 9.85 | 0.07 | 9.92 | 4.10% | 0.00 |
| | Shibha Abhay Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Padmini Patni | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Abha Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Arpana Vineet Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Ashish Sethi | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Manoj Abhaykumar Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Rajmal Bohra | - | 0.02 | 0.02 | 0.01% | 0.00 |
| | Meghna Sethi | - | 0.01 | 0.01 | 0.00% | 0.00 |
| | Rajendra Kumar Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Sheela Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Vibha Abhaykumar Jain | 0.00 | - | 0.00 | 0.00% | - |
| | **Total** | **180.04** | **0.17** | **180.21** | **74.56%** | **0.00%** |

As at March 31, 2021

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Equity shares of INR 1 each fully paid | Siddharth Sethi | 60.01 | - | 60.01 | 24.99% | - |
| | Mitesh Bohra | 50.16 | - | 50.16 | 20.89% | - |
| | Avinash Sethi | 60.00 | - | 60.00 | 24.98% | - |
| | Shashikala Bohra | 9.85 | - | 9.85 | 4.10% | - |
| | Rajendra Kumar Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Sheela Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Vibha Abhaykumar Jain | 0.00 | - | 0.00 | 0.00% | - |
| | **Total** | **180.04** | **-** | **180.04** | **74.97%** | **-** |

## NOTE 15(B) - OTHER EQUITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Reserve and surplus | | |
| (a) Capital reserve | 615 | 615 |
| (b) Security premium reserve | 3,023 | 2,887 |
| (c) Share option outstanding account | 201 | 302 |
| (d) General reserve | 253 | 253 |
| (e) Retained earnings | 13,875 | 11,821 |
| (f) Other comprehensive income | (77) | (34) |
| **Total** | **17,890** | **15,844** |

### Description of nature and purpose of each reserve

**(a) Capital reserve**
Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

**(b) Security premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

**(c) Share option outstanding account**
The reserve is used to recognize the grant date fair value of options issued to employees under Employee Stock Option Schemes and is adjusted on exercise/ forfeiture of options.

**(d) General reserve**
General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**(e) Retained earnings**
Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**(f) Other comprehensive income**
Other Comprehensive Income includes re-measurement loss on defined benefit plans, net of taxes that will not be reclassfied to profit & loss.

## NOTE 16 BORROWINGS-NON CURRENT

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Kotak Car Loan (Secured loan) | - | 1 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from January -17 till January - 22. Rate of interest : 9.31% ) | | |
| **Total** | **-** | **1** |

## NOTE 17 NON CURRENT- LEASE LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Lease liability | 236 | 378 |
| **Total** | **236** | **378** |

## NOTE 18 NON CURRENT- FINANCIAL LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred consideration payable for acquisition (Eternus Solutions Pvt. Ltd.) | 489 | - |
| **Total** | **489** | **-** |

## NOTE 19 PROVISIONS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for Employee Benefits | | |
| Gratuity (Refer Note 39) | 527 | 571 |
| Leave Encashment | 151 | 80 |
| **Total** | **678** | **650** |

## NOTE 20 BORROWINGS-CURRENT

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current maturity of Long term debt | | |
| Axis Car Loan | - | 0 |
| (Loan taken from Axis Bank Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from March-16 till February-21. Rate of interest : 9.65% ) | | |
| Axis Car Loan - 2 | - | 0 |
| (Loan taken from Axis Bank Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from June-16 till May-21. Rate of interest : 10.02% ) | | |
| Kotak Car Loan | 1 | 3 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from January -17 till January - 22. Rate of interest : 9.31% ) | | |
| Kotak Car Loan | - | 1 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from October-17 till October-22. Rate of interest : 8.56% ) | | |
| **Total** | **1** | **4** |

## NOTE 21 CURRENT LEASE LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Lease liability | 292 | 494 |
| **Total** | **292** | **494** |

## NOTE 22 TRADE PAYABLES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade Payables | | |
| - Total outstanding dues of micro and small enterprises (Refer Note 34 for details of dues to micro and small enterprises) | - | - |
| - Total outstanding dues of creditors other than micro and small enterprises (Refer Ageing below) | 155 | 21 |
| **Total** | **155** | **21** |

### Trade payables Ageing Schedule

As at March 31, 2022

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 155 | - | - | - | 155 |
| **Total** | **155** | **-** | **-** | **-** | **155** |

As at March 31, 2021

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 21 | - | - | - | 21 |
| **Total** | **21** | **-** | **-** | **-** | **21** |

## NOTE 23 CURRENT- OTHER FINANCIAL LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred consideration payable for acquisition (Eternus Solutions Pvt. Ltd.) | 9,120 | - |
| Other Payables | 82 | 36 |
| **Total** | **9,202** | **36** |

## NOTE 24 CURRENT TAX LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for Taxation | - | 0 |
| [Net Provision for Tax ₹ 586.34 Lacs (As at March 31, 2021: 640.51 Lacs)] | | |
| **Total** | **-** | **0** |

## NOTE 25 OTHER CURRENT LIABILITIES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Statutory Dues | 247 | 107 |
| Deferred Revenue | 31 | 254 |
| **Total** | **278** | **361** |

## NOTE 26 PROVISIONS-CURRENT

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Gratuity (Refer Note 39) | 117 | - |
| Leave Encashment | 63 | |
| **Total** | **180** | **-** |

## NOTE 27 REVENUE FROM OPERATIONS

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Rendering of services (software services) | 15,892 | 11,833 |
| **Total** | **15,892** | **11,833** |

## NOTE 28 OTHER INCOME

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Gain on Redemption of Investments (Mutual Fund) | 62 | 27 |
| Gain on fair value of investment (Mutual Fund) | 97 | 160 |
| Profit / (Loss) on option booking | 94 | - |
| Dividend Received | - | 20 |
| Foreign Exchange Gain/(Loss) | 90 | 54 |
| Interest on FDR | 64 | 69 |
| Interest on Bond | 211 | 281 |
| Interest on security deposit | 5 | 4 |
| Profit / (Loss) on Sale of bond | 39 | - |
| Profit on sale of shares | - | 84 |
| Miscellaneous Income | 6 | 14 |
| **Total** | **668** | **713** |

## NOTE 29 EMPLOYEE BENEFITS EXPENSE

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Salaries, Wages and Allowances | 10,045 | 6,481 |
| Employee Compensation Expenses | 35 | 265 |
| Contribution to P.F, E.S.I and Other Statutory Funds | 312 | 227 |
| Gratuity (Refer Note 39) | 185 | 150 |
| Leave Encashment | 134 | 62 |
| Staff Welfare Expenses | 171 | 89 |
| **Total** | **10,882** | **7,274** |

## NOTE 30 INTEREST EXPENSE

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Interest on Car Loan | 0 | 2 |
| Interest cost on deferred consideration | 180 | - |
| Other finance cost on Lease (Refer note no. 35 For reference) | 62 | 75 |
| **Total** | **242** | **77** |

## NOTE 31 OTHER EXPENSES

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Power and Fuels | 47 | 34 |
| Repairs and Maintenance | | |
| Buildings | 75 | 96 |
| Computers | 21 | 11 |
| Rent | 6 | 6 |
| Insurance | 86 | 61 |
| Travelling Expenses | 83 | 9 |
| Internet Charges | 22 | 18 |
| Legal and Consultancy | 107 | 33 |
| Tea and Food Expenses | 22 | 6 |
| Telephone Expenses | 3 | 5 |
| Software License and Subscription Fees | 93 | 62 |
| Professional Fees | 751 | 206 |
| Sales and Business Promotion | 35 | 16 |
| Auditors Remunerations | 5 | 2 |
| Internal Auditor Fees | 7 | 7 |
| Corporate Social Responsibility (CSR) Activities (Refer note no. 41 for reference) | 60 | 49 |
| Miscellaneous Expenses | 276 | 258 |
| **Total** | **1,699** | **879** |

## NOTE 32 - CURRENT TAX AND DEFERRED TAX

### (A) Major Components of income tax expenses

(Amount in Lacs.)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| **(a) Statement of profit and loss:** | | |
| (i) Current tax: | | |
| - In respect of current year | 586 | 641 |
| - In respect of earlier year | - | (17) |

| | | |
|---|---|---|
| (ii) Deferred tax: | | |
| - Relating to origination and reversal of temporary differences | (221) | (312) |
| **Total tax expense recognised in statement of profit and loss** | **365** | **312** |
| **(a) Other comprehensive income:** | | |
| (i) Deferred tax - remeasurement of the defined benefit obligation | 18 | 7 |
| **Total tax expense recognised in total comprehensive loss** | **383** | **319** |

## (B) Numerical reconciliation between average effective tax rate and applicable tax rate :

(Amount in Lacs.)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| **Profit before tax** | **3,142** | **3,710** |
| Applicable tax rate | 29.12% | 29.12% |
| Computed tax expense | 915 | 1,080 |
| Effect of expenses that is non-deductible in determining taxable profit / accounting profit | (550) | (752) |
| Others (including effect of recognition of deferred tax asset on previous year tax losses) | | - |
| **Income tax expense recognised in statement of profit and loss** | **365** | **329** |

## (C) Deferred Tax

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2022 | | | |
|---|---|---|---|---|
| | As at March 31, 2021 | Recognised in Profit and Loss | Recognised in OCI | As at March 31, 2022 |
| Tax effect of items constituting deferred tax liability on: | | | | |
| Property, plant and equipment, intangible assets and other | - | - | - | |
| Deferred tax liability on right to use asset | 238 | (101) | - | 137 |
| Deferred tax impact on fair value of investment on mutual fund | - | 41 | - | 41 |
| **(A)** | **238** | **(60)** | **-** | **178** |
| Tax effect of items constituting deferred tax assets: | | | | |
| Property, plant and equipment, intangible assets and other | 63 | 12 | - | 75 |
| MAT Credit Entitlement | 1,172 | 206 | - | 1,378 |
| Deferred tax asset on lease liability | 254 | (100) | - | 154 |
| Provision for compensated absences and gratuity | 191 | 43 | - | 234 |
| Remeasurement of defined benefit plans | (2) | - | 18 | 16 |
| **(B)** | **1,678** | **161** | **18** | **1,857** |
| **Deferred tax liabilities/(assets) (net) (A-B)** | **(1,440)** | **(221)** | **(18)** | **(1,679)** |

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2021 | | | |
|---|---|---|---|---|
| | As at March 31, 2020 | Recognised in | | As at March 31, 2021 |
| | | Profit and Loss | OCI | |
| Tax effect of items constituting deferred tax liability on: | | | | |
| Property, plant and equipment, and intangible assets and other | 104 | (104) | - | - |
| right to use asset | 168 | 70 | - | 238 |
| Deferred tax impact on fair value of investment on mutual fund | 32 | (32) | - | - |
| **(A)** | **304** | **(66)** | **-** | **238** |
| Tax effect of items constituting deferred tax assets: | | | | |
| Property, plant and equipment, and intangible assets and other | - | 63 | - | 63 |
| MAT Credit Entitlement | 1,082 | 90 | - | 1,172 |
| Deferred tax asset on lease liability | 175 | 79 | - | 254 |
| Provision for compensated absences and gratuity | 177 | 15 | - | 191.36 |
| Remeasurement of defined benefit plans | (9) | - | 7 | (2) |
| **(B)** | **1,425** | **246** | **7** | **1,678** |
| **Deferred tax liabilities/(assets) (net) (A-B)** | **(1,121)** | **(312)** | **(7)** | **(1,440)** |

## NOTE 33 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **(a) Commitments** | | |
| Contracts of capital nature | - | - |
| **(b) Contingent Liabilities** | | |
| Corporate Guarantee given' to Philiosophie Group Inc. | - | 1,915 |

## NOTE 34 - DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (a) Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (c) The amount of principal paid beyond the appointed day | - | - |
| (d) The amount of interest due and payable for the year | - | - |
| (e) The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

## NOTE 35 LEASES

The Company's significant leasing arrangements are in respect of office premises and equipment taken on leave and licence basis.

**(i) The following is the summary of practical expedients elected:**

a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b) Applied the exemption not to recognize right-of-use assets and liabilities for leases :

  a. with less than 12 months of lease term on the date of initial application

**(ii)** The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the Statement of Profit and Loss under the heading "Depreciation and Amortisation Expense" and "Finance costs".

**(iii)** The weighted average incremental borrowing rate applied to lease liabilities for FY 21-22 is 9.50%.

**The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows:**

(Amount in Lacs.)

| Particulars | Total amount |
|---|---|
| **Balance as at April 01, 2020** | **578** |
| Addition | 574 |
| Deletion | (11) |
| Depreciation | (324) |
| **Balance as at March 31, 2021** | **817** |
| Addition | 266 |
| Deletion | (343) |
| Depreciation | (271) |
| **Balance as at March 31, 2022** | **469** |

**The break-up of current and non-current lease liabilities as at March 31, 2022 is as follows:**

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current lease liabilities | 292 | 494 |
| Non- current lease liabilities | 236 | 378 |
| **Total** | **528** | **872** |

**The movement in lease liabilities during the year ended March 31, 2022 is as follows:**

(Amount in Lacs.)

| Particulars | Total amount |
|---|---|
| **Balance as at April 01, 2020** | **602** |
| Addition | 574 |
| Deletion | (12) |
| Finance cost accrued | 75 |
| Payment of lease liabilities | (368) |
| **Balance as at March 31, 2021** | **871** |
| Addition | 265 |
| Deletion | (355) |
| Finance cost accrued | 62 |
| Payment of lease liabilities | (316) |
| **Balance as at March 31, 2022** | **528** |

**The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:**

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Not later than one year | 329 | 313 |
| Later than one year but not later than five years | 254 | 717 |
| More than five years | - | - |

## NOTE 36 EARNINGS PER SHARE

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Profit after tax for the year attributable to the equity shareholders | 2,777 | 3,398 |
| **No of Equity Shares Outstanding at the end of the year** | | |
| Weighted average number of equity shares (Nos.) | 241.26 | 240 |
| Face value per share (In Lacs.) | 10 | 10 |
| Basic Earnings per share | 11.51 | 14.15 |
| **(b) Diluted Earning per share** | | |
| Profit after tax for the year attributable to the equity shareholders | 2,777 | 3,398 |
| No of Equity Shares Outsatnding at the end of the year | | |
| Weighted average number of equity shares (Nos.) | 243.35 | 243 |
| Face value per share (In Lacs.) | 10 | 10 |
| Diluted earnings per share | 11.41 | 13.98 |

## NOTE 37 SEGMENT REPORTING

The Company is primarily engaged in business of software development services, specializing in business application development for web and mobile and operate at Capability Maturity Model Integration (CMMI) level 3, which is considered by the management to constitute one business segment. Accordingly, there is no other separate reportable segment as defined by Ind AS 108 "Operating Segments", however the company has presented geographical segment at consol level. (Refer Note 33 of Consolidated Financial Statements)

## NOTE 38 RELATED PARTY DISCLOSURES

Details of related parties and their relationship

### (a) Subsidiary Company

| | |
|---|---|
| InfoBeans INC | |
| InfoBeans Technologies DMCC | |
| InfoBeans IT City Private Limited | |
| InfoBeans Technologies Europe GmbH | |
| Eternus Solutions Pvt Ltd | (From December 01, 2021) |

### (b) Group Associates

| |
|---|
| InfoBeans Social and Educational Welfare Society |

### (c) Entities having interest of directors

| |
|---|
| GullyBuy Software Private Limited |

### (d) Key management personnel (KMP)/ Director

| | |
|---|---|
| Mr. Mitesh Bohra | Executive Director and President |
| Mr. Avinash Sethi | Director and Chief Financial Officer |
| Mr. Siddharth Sethi | Managing Director |
| Miss. Surbhi Jain | Company secretary |

### (e) Other related parties

| | |
|---|---|
| Mrs. Vibha Jain | Relative of Key managerial personnel |
| Mrs. Meghna Sethi | Relative of Key managerial personnel |
| Mrs. Shashikala Bohra | Relative of Key managerial personnel |
| Mrs. Shibha Abhay Jain | Relative of Key managerial personnel |
| Mrs. Padmini Patni | Relative of Key managerial personnel |
| Mrs. Abha Jain | Relative of Key managerial personnel |
| Mrs. Arpana Vineet Jain | Relative of Key managerial personnel |
| Mr. Ashish Sethi | Relative of Key managerial personnel |
| Mr. Manoj Abhaykumar Jain | Relative of Key managerial personnel |
| Mr. Rajmal Bohra | Relative of Key managerial personnel |
| Mrs. Sheela Sethi | Relative of Key managerial personnel |
| Mr. Rajendra Kumar Sethi | Relative of Key managerial personnel |

### (f) List of transactions with related parties

(Amount in Lacs.)

| Sr. No. | Particular | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| 1 | **Investment in Subsidiary Company** | | |
| | - InfoBeans INC | 3,641 | 3,641 |
| | - InfoBeans Technologies DMCC | 38 | 38 |
| | - InfoBeans Technologies Europe GmbH | 208 | 208 |
| | - Eternus Solutions Pvt Ltd | 11,086 | - |
| 2 | **Transactions with Subsidiary Company** | | |
| | - InfoBeans INC (Sales) | 4,898 | 3,768 |
| | - InfoBeans Technolgies Europe GmbH (Sales) | 751 | 658 |
| | - InfoBeans Technolgies DMCC (Sales) | 704 | 344 |
| | - Philiosophie Group Inc. (Sales) | 59 | 110 |
| | - Eternus Solutions Pvt Ltd (Purchase) | 198 | - |
| 3 | **Transactions with Group Associates** | | |
| | - InfoBeans Social and Educational Welfare Society (CSR Donation) | 42.55 | - |
| 4 | **Directors' Remuneration** | | |
| | - Mr. Avinash Sethi | 174 | 46 |
| | - Mr. Siddharth Sethi | 173 | 45 |

| | | | |
|---|---|---|---|
| **5** | **Dividend Paid** | | |
| | - Mr. Mitesh Bohra | 150 | - |
| | - Mr. Avinash Sethi | 178 | - |
| | - Mr. Siddharth Sethi | 180 | - |
| | - Mrs. Shashikala Bohra | 30 | - |
| | - Mr. Rajendra Kumar Sethi | 0 | - |
| | - Mrs. Vibha Jain | 0 | - |
| | - Mrs. Sheela Sethi | 0 | - |
| | - Mrs. Shibha Abhay Jain | 0 | - |
| | - Mrs. Padmini Patni | 0 | - |
| | - Mrs. Abha Jain | 0 | - |
| | - Mrs. Arpana Vineet Jain | 0 | - |
| | - Mr. Ashish Sethi | 0 | - |
| | - Mr. Manoj Abhaykumar Jain | 0 | - |
| **6** | **Other Related Parties** | | |
| | - Remuneration to Other Related Parties | - | - |
| | - Mrs. Vibha Jain | 23 | 23 |
| | - Mrs. Meghna Sethi | 23 | 23 |
| | - Sales to Entity in which Director is Interested | - | - |
| | - GullyBuy Software Private Limited | - | 3 |
| **7** | **Balance receivable at the end of the year** | | |
| | - InfoBeans INC | 1,253 | 793 |
| | - InfoBeans Technologies DMCC | 583 | 243 |
| | - InfoBeans Technologies Europe GmbH | 424 | 314 |
| | - Philosophie Group Inc. | - | 53 |
| **8** | **Balance payable at the end of the year** | | |
| | - Eternus Solutions Pvt Ltd | 92 | - |

## NOTE 39 EMPLOYEE BENEFITS

### The disclosures as per Ind AS 19 - Employee Benefits are as follows:

**Defined contribution plans**

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 311.82 Lacs for the year ended March 31, 2022 (₹ 227.32 Lacs for the year ended March 31, 2021) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**Defined benefit plans**

The Company offers the following employee benefit schemes to its employees:

i. Gratuity (Refer Note 19 & 26)

ii. Long-term compensated absences (Refer Note 19 & 26)

These plan typically expose the group to actuarial risk such as: Investment risk, interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Investment Risk | The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long term nature of plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan asset should be invested in equity securities and in real estate to leverage the return generated by the fund. |
| Interest Risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investment. |
| Longevity Risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary Risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

**(a) Expense recognized in the statement of profit and loss:**

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---:|---:|
| **(i) Components of defined benefit costs recognised in profit and loss** | | |
| Current service cost | 148 | 119 |
| Net interest cost | 46 | 38 |
| Expected return on Plan assets | (9) | (7) |
| **Total expense recognised in profit and loss** | **185** | **150** |
| **(ii) Components of defined benefit costs recognised in other comprehensive income** | | |
| **Acturial (gains) / losses** | | |
| Due to change in financial assumption | 61 | - |
| Due to change in experience | (1) | (22) |
| Return on plan assets, excluding interest income | 0 | 0 |
| **Total expense recognised in other comprehensive income** | **60** | **(22)** |
| **Total expense** | **245** | **128** |

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---:|---:|
| **(b) Net liability recognised in balance sheet** | | |
| Present value of defined benefit obligation | 831 | 711 |
| Fair value of plan assets | 187 | 140 |
| Funded status (deficit) (refer note 18) | 644 | 571 |
| **(c) Movement in present value of defined benefit obligation** | | |
| Present value of defined benefit obligation at the beginning of the year | 712 | 601 |
| Interest on defined benefit obligation | 46 | 38 |
| Current Service Cost | 148 | 119 |

| | | |
|---|---|---|
| Benefits paid | (134) | (23) |
| Actuarial (gains)/losses on obligations - Due to change in financial assumptions | 61 | - |
| Actuarial (gains)/losses on obligations - Due to change in experience | (1) | (23) |
| Present value of defined benefit obligation at the end of the year | 832 | 712 |
| **(d) Movement in fair value of plan assets** | | |
| Fair value of plan assets at the beginning of the year | 140 | 107 |
| Expected return on plan assets | 9 | 7 |
| Employer contributions | 100 | 49 |
| Benefits paid | (62) | (23) |
| Actuarial gain/(loss) on plan assets | (0) | - |
| Fair value of plan assets at the end of the year | 187 | 140 |

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **(e) Movement of net liability recognised in the balance sheet** | | |
| Opening net defined benefit liability | 571 | 494 |
| Expense recognized in statement of profit and loss | 185 | 149 |
| Expense recognized in other comprehensive income | 60 | (23) |
| Employers contribution | (100) | (49) |
| Benefits paid by the company | (72) | - |
| Net (asset) / liability to be recognised in balance sheet | 644 | 571 |
| **(f) Composition of the plan assets is as follows** | | |
| Others (LIC managed funds) | 100% | 100% |
| **(g) The principal assumptions used in determining defined benefit obligations:** | | |
| **(i) Financial assumptions:** | | |
| Discount rate | 6.25 % per annum | 6.25 % per annum |
| Rate of return on plan assets | 7.00 % per annum | 7.00 % per annum |
| Salary escalation current | 7.00 % per annum | 7.00 % per annum |
| **(ii) Demographic assumptions:** | | |
| Mortality rate | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| Retirement Age | 60 years | 60 years |

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(h) Actuarial assumptions for long-term compensated absences

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Discount rate | 6.25 % per annum | 6.25 % per annum |
| Salary escalation | 7.00 % per annum | 7.00 % per annum |

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(i) Maturity profile

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| 1st Following Year | 117 | 100 |
| 2nd Following Year | 28 | 24 |
| 3rd Following Year | 29 | 25 |
| 4th Following Year | 28 | 24 |
| 5th Following Year | 28 | 23 |
| Sum of Years 6 and above | 601 | 515 |

## NOTE 40 FINANCIAL INSTRUMENTS

### (a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders through the optimization of the debt and equity.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 16 and 20 offset by cash and bank balances) and total equity of the Company.

(Amount in Lacs.)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| Debt * | | 1 | 5 |
| Cash and bank balances | | 671 | 662 |
| **Net debt** | **(A)** | **(670)** | **(657)** |
| Total equity | (B) | 20,307 | 18,246 |
| **Net debt to equity ratio** | **(A/B)** | **(0.03)** | **(0.04)** |

*Debt is defined as long-term and short-term borrowings (excluding financial guarantee contracts) including current maturities of long term debt.

### (b) Financial risk management objectives

The Company's principal financial liabilities comprises of borrowings , trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes trade and other receivables, and cash and cash equivalents 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.

#### (i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations and arises principally from the Company's receivables, deposits given, loans given, and balances at bank.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

In case of trade receivables, the Company does not hold any collateral or other credit enhancements to cover its credit risks. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

**Fair Value Hierarchy**
The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

The different levels have been defined as follows:

Level-1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at net market value.

Level-2 – Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level- 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(Amount in Lacs.)

| **Particulars** | **As at March 31, 2022** | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial Assets:** | | | | |
| Mutual fund investments | 980 | - | - | 980 |
| Equity Shares | - | 14,948 | - | 14,948 |
| Preference Shares | - | 4,891 | - | 4,891 |
| Treasury bonds and bills | 521 | - | - | 521 |
| Non-convertible Debentures | - | - | - | - |
| Perpetual bonds | - | - | - | - |
| Investment in Equity Instrument | - | - | - | - |
| Derivative financial assets | - | - | - | - |
| **Total** | **1,501** | **19,839** | **-** | **21,340** |
| **Financial Liabilities:** | | | | |
| Other financial liabilities | - | - | 9,691 | - |
| **Total** | **-** | **-** | **9,691** | **9,690** |

(Amount in Lacs.)

| **Particulars** | **As at March 31, 2021** | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial Assets:** | | | | |
| Mutual fund investments | 3,053 | - | - | 3,053 |
| Equity Shares | - | - | - | - |
| Treasury bonds and bills | - | 3,121 | - | 3,121 |
| Non-convertible Debentures | - | 218 | - | 218 |
| Perpetual bonds | - | 714 | - | 714 |
| Investment in Equity Instrument | - | - | - | - |
| Derivative financial assets | - | - | - | - |
| **Total** | **3,053** | **4,053** | **-** | **7,106** |
| **Financial Liabilities:** | | | | |
| Other financial liabilities | - | - | 36 | 36 |
| **Total** | **-** | **-** | **36** | **36** |

Movement in allowance for credit loss during the year was as follows;

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance at beginning of the year | - | - |
| Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | - | - |
| **Balance at end of the year** | **-** | **-** |

Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the accounts receivable.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit-rating agencies.

### (ii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### (1) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies, consequently exposures to exchange rate fluctuations arise. The management has taken a position not to hedge this currency risk.

The carrying amounts of financial liability of the Company denominated in foreign currency other than its functional currency is as follows:

(Amount in Lacs.)

| Particulars | Currency | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| Trade Payables | USD | - | 242 |
| Trade Payables | EURO | - | - |
| Trade Payables | AED | - | - |

#### (2) Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupee against the relevant foreign currency. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens 10% against the relevant currency. For a 10% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit and the balance would be negative.

(Amount in Lacs.)

| Particulars | Sensitivity analysis | Effect on Profit Before tax | |
|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 |
| EURO | +10% | - | (24) |
| EURO | -10% | - | 24 |
| USD | +10% | - | - |
| USD | -10% | - | - |
| GBP | +10% | - | - |
| GBP | -10% | - | - |

#### (3) Interest rate risk

The borrowings of the Company are at fixed interest rates, consequently the Company is not exposed to interest rate risk.

### (iii) Liquidity Risk

#### (1) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow generated from operations. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Trade and other payables are non-interest bearing and the average credit term is 30-90 days.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments;

(Amount in Lacs.)

| Particulars | Due in 1st year | Due in 2nd to 5th year | Due after 5 years | Total contracted cash flows | Carrying value |
|---|---|---|---|---|---|
| **As at March 31, 2022** | | | | | |
| Trade payables and other financial liabilities | 237 | | - | 237 | 237 |
| Deferred purchase consideration | 9,120 | 489 | | 9,609 | 9,609 |
| Borrowings | 1 | - | - | 1 | 1 |
| Lease liability | 292 | 236 | - | 528 | 528 |
| **Total** | **9,650** | **725** | **-** | **10,375** | **10,375** |
| **As at March 31, 2021** | | | | | |
| Trade payables and other financial liabilities | 57 | - | - | 57 | 57 |
| Borrowings | 4 | 1 | - | 5 | 5 |
| Lease liability | 494 | 378 | - | 872 | 872 |
| **Total** | **555** | **379** | **-** | **934** | **934** |

### (c) Categories of financial instruments and fair value thereof

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **A. Financial assets** | | | | |
| **i) Measured at cost** | | | | |
| Investment in subsidiary | 19,839 | - | 3,887 | - |
| **ii) Measured at fair value** | | | | |
| Investment in mutual fund | 980 | 980 | 3,053 | 3,053 |
| Investment in preference shares | - | - | - | - |
| **iii) Measured at amortised cost** | | | | |
| Investment in bonds | 521 | 521 | 4,052 | 4,052 |
| Trade Receivables | 4,819 | 4,819 | 3,282 | 3,282 |
| Cash and cash equivalents | 672 | 672 | 662 | 662 |
| Bank balances other than above | 770 | 770 | 1,335 | 1,335 |
| Other financial assets | 424 | 424 | 307 | 307 |
| **Total** | **28,024** | **8,185** | **16,577** | **12,690** |
| **B. Financial liabilities** | | | | |
| **i) Measured at amortised cost** | | | | |
| Borrowings | 1 | 1 | 5 | 5 |
| Trade payables | 155 | 155 | 21 | 21 |
| Other financial liabilities | 9,691 | 9,691 | 36 | 36 |
| Lease liability | 528 | 528 | 872 | 872 |
| **Total** | **10,375** | **10,375** | **934** | **934** |

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.

### (d) Fair value measurement

All the financial assets and liabilities of the Company are measured at amortised cost except for investment.

#### Financial instruments measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values,except for security deposit and investment since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair value hierarcy:

Quantative disclosure fair value measurement hierarchy;

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 | Fair value hierarchy |
|---|---|---|---|
| | Fair Value | Fair Value | |
| **Assets for which fair value is disclosed** | | | |
| Investment in mutual fund - quoted | 980 | 3,053 | Level 1 |

Fair value of security deposits are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and maturities.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. The company has level 1 fair value measurement.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

## NOTE 41 CORPORATE SOCIAL RESPONSIBILITY (CSR)

### Details of CSR expenditure:

(Amount in Lacs.)

| Particulars | | March 31, 2022 | March 31, 2021 |
|---|---|---|---|
| (a) Gross amount required to be spent by the Group during the year | | 60 | 49 |
| **Net Profit for last three year** | | | |
| FY 2020-21 | 3,710 | | |
| FY 2019-20 | 2,929 | | |
| FY 2018-19 | 2,398 | | |
| **2% of Last three years average profits** | **60** | | |
| (b) Amount approved by the Board to be spent during the year | | 60 | 49 |

### (c) Amount spent during the year ending on March 31, 2022:

(Amount in Lacs.)

| Particulars | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| (i) Construction/acquisition of any asset | | | |
| (ii) On purposes other than (i) above | 60 | - | 60 |

### (d) Amount spent during the year ending on March 31, 2021:

(Amount in Lacs.)

| Particulars | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| (i) Construction/acquisition of any asset | | | |
| (ii) On purposes other than (i) above | 49 | - | 49 |

### (e) Details related to spent / unspent obligations:

(Amount in Lacs.)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| (i) Contribution to Public Trust | | |
| (ii) Contribution to Charitable Trust | 60 | 49 |
| (iii) Unspent amount in relation to: | - | - |
| - ongoing project | - | - |
| - Other than ongoing project | | |
| | 60 | 49 |

## NOTE 42 DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

### (i) Disaggregation of Revenue

Revenue disaggregation by reportable segments and by geography has been included in segment information.

The Company has evaluated the impact of the COVID-19 pandemic, amongst other matters, resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts, (ii) termination or deferment of contracts by customers and (iii) customer disputes in its assessment of recognition of revenue in accordance with INDAS-115.

### (ii) Performance Obligation

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

### (iii) Contract assets and liabilities

Changes in the contract assets balances during the year ended March 31, 2022 and March 31, 2021 are as follows:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Contract assets:** | | |
| Opening Balances | 115 | 2 |
| Add: Revenue recognised during the year | - | 115 |
| Less: Invoices during the year | 115 | 2 |
| **Closing Balance** | **-** | **115** |
| **Total** | **-** | **115** |

Changes in the unearned revenue balances during the year ended March 31, 2022 and March 31, 2021 are as follows:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unearned Revenue:** | | |
| Opening Balances | 253 | - |
| Less: Revenue recognised that was included in the unearned revenue at the beginning of the year | 253 | - |
| Add: Invoices during the year(excluding revenue recognised during the year) | 249 | 253 |
| **Closing Balance** | **249** | **253** |

## NOTE 43 DEFERRED CONSIDERATION

On 30th November 2021, the Company has acquired 100% stake in Eternus Solutions Private Limited for a total consideration of ₹ 18,262.00 Lacs out of which 6,503.93 Lacs has been paid and deferred consideration of 11,758.07 Lacs is payable as per the terms and conditions of the Share Purchase Agreement entered between the Company and Sellers. Post completion of the aforesaid acquisition, Eternus Solutions Private Limited has become wholly-owned subsidiary of the Company.

## NOTE 44 - RATIO ANALYSIS AND ITS ELEMENTS

(Amount in Lacs.)

| Ratio | Numerator | Denominator | 31-03-2022 | 31-03-2021 | % change | Reason for variance |
|---|---|---|---|---|---|---|
| Current ratio (times) | Current Assets | Current Liabilities | 0.71 | 6.61 | -89% | - Due to deferred consideration payable on acquisition of WOS Eternus Solutions Private limited |
| Debt- Equity Ratio (times) | Total Debt | Shareholder's Equity | 0.05 | 0.06 | -20% | - Lease repayment during the year |
| Debt Service Coverage ratio (times) | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | 8.87 | 9.00 | -1% | NA |
| Return on Equity ratio (%) | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity | 4% | 5% | -30% | Profit for the year is lower mainly due to Increase in Employee Benefit and Other Expenses |
| Inventory Turnover ratio (times) | Cost of goods sold | Average Inventory | NA | NA | NA | NA |
| Trade Receivable Turnover Ratio (times) | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | 3.92 | 3.94 | 0% | - |
| Trade Payable Turnover Ratio (times) | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | NA | NA | NA | - |
| Net Capital Turnover Ratio (times) | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | -5.34 | 2.30 | -332% | - Due to deferred consideration payable on acquisition of WOS Eternus Solutions Private limited |
| Net Profit ratio (%) | Net Profit | Net Income = Total Income - sales return | 17% | 27% | -38% | Profit for the year is lower mainly due to Increase in Employee Benefit and Other Expenses |
| Return on Capital Employed (%) | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 18% | 21% | -17% | - |
| Return on Investment (%) | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity | 4% | 5% | -30% | Profit for the year is lower mainly due to Increase in Employee Benefit and Other Expenses |

**NOTE 45** Previous year figures have been reclassified/regrouped wherever necessary to confirm with Financial Statements prepared under Ind AS.

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVFXD3366

**Place :** Indore
**Date :** 27-04-2022

For and on behalf of Board of Directors

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Surbhi Jain**
(Company Secretary)

# INDEPENDENT AUDITOR'S REPORT

To,
The Members,
**InfoBeans Technologies Limited**,

Report on the Audit of the Consolidated Financial Statements

## OPINION

We have audited the accompanying consolidated financial statements of **InfoBeans Technologies Limited** (the "Company") and its subsidiaries, (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## MANAGEMENT'S RESPONSIBILITY 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 and presentation 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 changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF 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 financial 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 within the Group 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.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated 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 relevant rule issued there under.

    e. On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**" which is based on auditors' reports of company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditors' 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 Group does not have any pending litigations which would impact its financial position as on March 31, 2022.

   ii. The Group did not have any long-term contracts including derivatives 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, and its subsidiary company incorporated in India.

   iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year and until the date of this report, is in compliance with Section 123 of the Act. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For, **Basant Jain & Co.**
Chartered Accountants
FRN:-005128C

**Place:** Indore
**Date:** 27-04-2022

**CA. Basant Jain**
Partner
M. No. 073966
UDIN: 22073966AKVGLW2481

# ANNEXURE "A"
## TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of InfoBeans Technologies Limited of even date)

### 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 the Group as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of InfoBeans Technologies Limited (hereinafter referred to as "Company") and its subsidiary company, which is incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company, which is incorporated in India.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **Basant Jain & Co.**
Chartered Accountants
FRN:-005128C

**Place:** Indore
**Date:** 27-04-2022

**CA. Basant Jain**
Partner
M. No. 073966
UDIN: 22073966AKVGLW2481

# CONSOLIDATED BALANCE SHEET
**as at March 31, 2022**

(Amount in Lacs.)

| Particulars | Note | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 5A | 1,375 | 1,183 |
| (b) Right-of-use asset | 31 | 2,413 | 3,028 |
| (c) Goodwill | 5B | 1,684 | 192 |
| (d) Other Intangible assets | 5B | 17,117 | 3,816 |
| (e) Financial assets | | | |
| i) Investments | 6 | 3,264 | 6,712 |
| ii) Other financial assets | 7 | 270 | 256 |
| (f) Deferred tax assets (Net) | 28 | 1,111 | 713 |
| (g) Income tax assets (Net) | 7(A) | 108 | 37 |
| (h) Other non-current assets | 8 | 9 | 18 |
| **Total non-current assets** | | **27,351** | **15,955** |
| **2. Current assets** | | | |
| (a) Financial assets | 9 | - | - |
| (b) Financial assets | | | |
| i) Investments | 10 | 287 | 393 |
| ii) Trade receivables | 11 | 6,527 | 3,949 |
| iii) Cash and cash equivalents | 12 | 4,109 | 2,270 |
| iv) Bank balances other than (i) above | 12 | 2,068 | 1,335 |
| v) Other financial assets | 13 | 458 | 40 |
| (b) Other current assets | 14 | 617 | 600 |
| **Total current assets** | | **14,066** | **8,587** |
| **Total assets (1+2)** | | **41,417** | **24,542** |
| **EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 15 (A) | 2,417 | 2,402 |
| (b) Other equity | 15 (B) | 20,638 | 15,701 |
| **Total equity** | | **23,054** | **18,103** |
| **2. Liabilities** | | | |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| i) Lease liabilities | 17 | 1,929 | 2,712 |
| ii) Other financial liability | 17(A) | 897 | 1,054 |
| (b) Provisions | 18 | 690 | 651 |
| (c) Deferred tax liabilities (net) | | 3,372 | - |
| **Total non-current liabilities** | | **6,888** | **4,417** |
| **Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| i) Borrowings | 18 (A) | 1 | 555 |
| ii) Lease liability | 19 | 881 | 584 |
| iii) Trade payables | 19 (A) | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 349 | 265 |
| iv) Other financial liabilities | 20 | 9,469 | 109 |
| (b) Current tax liabilities (net) | 21 | - | - |
| (c) Other current liabilities | 22 | 594 | 509 |
| (d) Provisions | 22A | 180 | - |
| **Total current liabilities** | | **11,474** | **2,021** |
| **Total equity and liabilities (1+2)** | | **41,417** | **24,542** |

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**For and on behalf of Board of Directors**

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVGLW2481

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year March 31, 2022

(Amount in Lacs.)

| Particulars | Note | March 31, 2022 | March 31, 2021 |
|---|---|---|---|
| **1. Income** | | | |
| (a) Revenue from Operations | 23 | 27,141 | 18,034 |
| (b) Other Income | 24 | 1,757 | 1,595 |
| **Total Revenue (I)** | | **28,898** | **19,629** |
| **2. Expenses** | | | |
| (a) Employee Benefits Expense | 25 | 17,299 | 11,706 |
| (b) (Increase)/Decrease in Technical Deveopment WIP | 26 | - | - |
| (c) Finance Costs | 27 | 461 | 322 |
| (d) Depreciation and Amortization Expenses | 5 (A) & (B) & 31 | 2,027 | 1,612 |
| (e) Other Expenses | 27(A) | 3,093 | 2,420 |
| **Total Expenses (II)** | | **22,880** | **16,060** |
| **3. Profit Before Tax (I - II)** | | **6,018** | **3,569** |
| **4. Exceptional Item** | 37 | - | (64) |
| **5. Profit Before Tax (VII-VIII)** | | **6,017** | **3,505** |
| **6. Tax Expense** | | | |
| (a) Current Tax | | 938 | 643 |
| (b) Deferred Tax | | (219) | (804) |
| (c) Tax in respect of Earlier Year | | - | (17) |
| (d) MAT Entitlement | | (206) | - |
| (e) Deferred taxes related to Earlier Year | | | - |
| **7. Profit for the Year** | | **5,505** | **3,683** |
| **8. Other Comprehensive Income** | | | |
| (a) Items that will not be reclassified to profit or loss | | (134) | (23) |
| (b) Income tax relating to items that will not be reclassified to profit or loss | | 39 | 7 |
| **Total Other Comprehensive Income/(Loss)** | | **(95)** | **(16)** |
| **9. Total Comprehensive Income for the year** | | **5,410** | **3,667** |
| **10. Earning Per Equity Share** | 32 | | |
| Equity Shares of par value ₹ 10/- each | | | |
| (1) Basic (₹) | | 22.82 | 15.34 |
| (2) Diluted (₹) | | 22.62 | 15.16 |

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

For and on behalf of Board of Directors

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVGLW2481

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Place :** Indore
**Date :** 27-04-2022

**Surbhi Jain**
(Company Secretary)

# CONSOLIDATED STATEMENT OF CASH FLOWS

**for the year ended March 31, 2022**

(Amount in Lacs.)

| | Particulars | For year ended March 31, 2022 | For year ended March 31, 2021 |
|---|---|---|---|
| **A.** | **Cash flows from operating activities** | | |
| | **Profit before tax** | **6,017** | **3,505** |
| | **Adjustments for:** | | |
| | Depreciation and amortisation | 2,027 | 1,612 |
| | Unrealised foreign exchange gain | (108) | (54) |
| | Foreign currency translation reserve | 306 | (158) |
| | Fixed asset written off | 14 | - |
| | Loss/ gain on sale of property, plant and equipment (net) | (0) | 0 |
| | Employee compensation expense | 35 | 266 |
| | Bad debt written off | 81 | - |
| | Finance cost | 461 | 322 |
| | Dividend income | - | (20) |
| | Profit on redemption of mutual funds and bond | (115) | (27) |
| | Interest income | (320) | (350) |
| | Subsidy income | (559) | - |
| | Profit on sale of preference shares | - | (84) |
| | Exceptional income (Contingent consideration not required to pay) | - | (964) |
| | Sundry balances written back | (459) | - |
| | Impairment of assets | - | 1,028 |
| | FVTPL of investment | (104) | (160) |
| | **Operating profit before working capital changes** | **7,276** | **4,916** |
| | **Adjustment for working capital changes** | | |
| | Decrease / (Increase) in current and non-current financial assets | (3,078) | (383) |
| | Decrease / (Increase) in other current and non-current assets | (8) | (395) |
| | Increase in other non-current liabilities | (95) | 53 |
| | Increase / (Decrease) in current and non- current financial liabilities | 1,313 | (164) |
| | Increase / (Decrease) in other current liabilities | 264 | 220 |
| | Increase / (Decrease) in Deferred Tax Liability on account of acquisition | 3,372 | |
| | **Cash flow from operating activities** | **9,044** | **4,247** |
| | Income taxes paid | (941) | (671) |
| | **Net cash generated from operating activities (A)** | **8,103** | **3,576** |
| **B.** | **Cash flows from investing activities** | | |
| | Payments for property, plant and equipment and Intangible Assets | (591) | (287) |
| | Proceeds from Sale of property, plant and equipment | 3 | 1 |
| | Investment/ disinvestment in mutual fund & bonds(net) | 3,772 | (1,223) |
| | Payment towards acquisition of subsidiary | (6,524) | - |
| | Payment towards deferred consideration | (990) | - |
| | Dividend received | - | 20 |
| | Investment/ disinvestment in fixed deposit (net) | (733) | (835) |
| | Interest received | 307 | 298 |
| | **Net cash used in investing activities (B)** | **(4,756)** | **(2,026)** |
| **C.** | **Cash flows from financing activities** | | |
| | Proceeds from issue of share capital | 15 | 551 |
| | Recognition of share based payment | 0 | - |
| | Repayment of long term borrowings | 5 | (4) |
| | Finance cost paid | (281) | (322) |
| | Payment of lease liability (net) | (523) | - |
| | Dividend paid, including dividend distribution tax | (723) | (591) |
| | **Net cash generated from financing activities (C)** | **(1,508)** | **(366)** |
| | **Net decrease in cash and cash equivalents (A+B+C)** | **1,839** | **1,184** |
| | **Cash and cash equivalents at the beginning of the year** | **2,270** | **1,086** |
| | **Cash and cash equivalents at end of the year** | **4,109** | **2,270** |

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVGLW2481

**Place :** Indore
**Date :** 27-04-2022

For and on behalf of Board of Directors

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Surbhi Jain**
(Company Secretary)

# STATEMENT OF CHANGES IN EQUITY
for the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

(Amount in Lacs)

| | |
|---|---|
| **Balance as at March 31, 2020** | **2,402** |
| Changes in equity share capital during the year | |
| Issue of equity shares | - |
| **Balance as at March 31, 2021** | **2,402** |
| Changes in equity share capital during the year | |
| Issue of equity shares | - |
| **Balance as at March 31, 2022** | **2,402** |

## B. OTHER EQUITY

(Amount in Lacs.)

| Particulars | Share application money pending allotment | Reserves and Surplus | | | | | | | Total Other Equity |
|---|---|---|---|---|---|---|---|---|---|
| | | Capital reserve | Securities premium reserve | General reserve | Share option outstanding account | Foreign currency translation reserve | Retained earnings | Other Comprehensive Income | |
| **Balance as at March 31, 2020** | | **615** | **2,887** | **255** | **37** | **314** | **7,951** | **(17)** | **12,042** |
| Profit for the year | | - | - | - | - | - | 3,683 | - | 3,683 |
| Other comprehensive income for the year, net of income tax | | - | - | - | - | - | - | (16) | (16) |
| FCTR during the year | | - | - | - | 265 | - | - | - | 265 |
| Recognition of share based payment expenses | | - | - | - | - | - | - | - | - |
| Transactions with owners in their capacity as owners | | - | - | - | - | - | - | - | - |
| - Dividend (including Dividend Tax) | | - | - | - | - | - | - | - | - |
| Foreign currency translation reserve | | - | - | - | - | (273) | - | - | (273) |
| **Balance as at March 31, 2021** | | **615** | **2,887** | **255** | **302** | **41** | **11,634** | **(33)** | **15,701** |
| Profit for the year | | - | 136 | - | - | - | 5,504 | - | 5,640 |
| FCTR during the year | | - | - | - | - | 215 | - | - | 215 |
| Other comprehensive income for the year, net of income tax | | - | - | - | - | - | - | (95) | (95) |
| Recognition of share based payment expenses | | - | - | - | (101) | - | - | - | (101) |
| Transactions with owners in their capacity as owners | | - | - | - | - | - | - | - | - |
| - Dividend (including Dividend Tax) | | - | - | - | - | - | (723) | - | (723) |
| **Balance as at December 31, 2021** | | **615** | **3,023** | **255** | **201** | **259** | **16,415** | **(128)** | **20,638** |

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVGLW2481

**Place :** Indore
**Date :** 27-04-2022

For and on behalf of Board of Directors

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Surbhi Jain**
(Company Secretary)

# NOTES TO THE FINANCIAL STATEMENTS

**for the year ended March 31, 2022**

## 1. CORPORATE INFORMATION

InfoBeans Technologies Ltd (the "company"), operating at CMMI level 3, is a public limited company domiciled in India and , and listed on the National Stock Exchange Limited. The Company is primarily engaged in software development services, specializing in business application development for web and mobile and operate at Capability Maturity Model Integration (CMMI) level 3. Our verticals can be broadly categorized as Product Engineering, Digital Transformation & Automation and DevOps.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### a. Statement of compliance and Basis of preparation and presentation

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policy below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### b. Basis of consolidation

**Subsidiaries**

The consolidated financial statements incorporate the financial statements of InfoBeans Technologies Ltd and entities controlled by InfoBeans Technologies Limited. Control is achieved when the parent has power over the investees, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

InfoBeans Technologies Limited has four subsidiaries and one step down subsidiary as listed below.

| Company Name | Date of incorporation | Relationship | Holding % |
|---|---|---|---|
| InfoBeans INC | 29-08-2008 | Wholly owned subsidiary | 100% |
| InfoBeans Technologies DMCC | 13-01-2016 | Wholly owned subsidiary | 100% |
| InfoBeans Technologies Europe GmbH | 15-09-2015 | Wholly owned subsidiary | 100% |
| Philosophie Group INC | 09-07-2014 | Step down subsidiary | 100% |
| Eternus Solutions Private Limited | 14-10-2010 | Wholly owned subsidiary | 100% |

### c. Business combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard. Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

**Goodwill and intangible assets**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annuallyor when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

### d. Revenue

Revenue from information technology and related services include revenue earned from services rendered on 'time and material' basis, time bound fixed price engagements and fixed price development contracts.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, net of indirect taxes, discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties, or other similar items. Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Revenue from fixed price maintenance contracts is recognised ratably over the period of the contract in accordance with its terms.

Revenue on fixed price development contracts is recognised using the 'percentage of completion method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

Dividend income is recognised when the Company's right to receive dividend is established. Interest income is recognised using effective interest rate method.

### e. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

Non-monetary foreign currency items are measured in terms of historical cost in the foreign currency and are not retranslated.

### f. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred."

### g. Employee benefits

#### (i) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

**Defined benefit costs are categorised as follows:**

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense.' Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of termination benefit and when the entity recognises any related restructuring costs.

#### (ii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

#### (iii) Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered/reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

### h. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### (i) Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current period is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. 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.

#### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### (iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### i. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Company's accounting policy.

Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Depreciation is recognised so as to write off the cost of assets (other than free hold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Estimated useful lives of the assets are as follows:

| Particulars | Useful life (in years) |
|---|---|
| | As per Company |
| Leasehold improvements | 10 |
| Electric installation | 10 |
| Office equipments | 5 |
| Furniture and fixtures | 10 |
| Vehicles | 8 |
| Computers | 3 to 6 |

**j. Intangible assets**

Intangible assets with finite useful lives that are acquired seperately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

The estimated useful life for intangible assets is 3 to 10 years. The estimated useful and amortisation method are reviewed at each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets with indenfinite useful lives that are acquired seperately are carried at cost less accumulated impairment loss.

**k. Impairment of tangible and intangible assets**

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication that those assets have suffered any impairment loss. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the 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 assets for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. Reversal of an impairment loss is recognised immediately in profit or loss.

**l. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to make the sale.

**m. Provisions, contingent liabilities and contingent assets**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainities surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurance or non-occurance of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that the 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits to be received from the contracts.

**n. Financial instruments**

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Initial recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

**(ii) Financial assets**

**(I) Classification of financial assets**

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

**(II) Subsequent measurement**
- Debt Instrument - amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

(a) if the asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income (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.

(b) The asset's contractual cash flows represent solely payments of principal and interest.

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 and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

- Fair value through Profit and Loss (FVTPL):

"FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or 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."

**(III) Derecognition of financial assets**
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**(IV) Effective interest method**
"The effective interest method is a method of calculating the amozrtized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimating future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

**(V) Impairment of financial assets**
The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;

- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable 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 analysed.

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 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 Company reverts to recognising impairment loss allowance based on 12-month ECL. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis."

### (iii) Financial liabilities and equity instruments

**(I) Classification of debt or equity**

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**- Equity instruments:** An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**(II) Subsequent measurement**

**- Financial liabilities measured at amortised cost:** Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

**- Financial liabilities measured at fair value through profit and loss (FVTPL):** 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**(III) Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**(IV) Fair value measurement**

The Company measures financial instruments such as debts and certain investments, 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, 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 recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(V) Financial Guarantee contracts**

Financial guarantee contracts issued by the Company are initially measured at fair value and subsequently measured at the higher of the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### o. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in 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.

### p. Leases

#### Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

#### Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### q. Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results are anti-dilutive.

### r. Employee Stock Option Plans

Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

## 3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires the 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**(i) Useful lives of property, plant and equipment**
The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(ii) Defined benefit obligation**
The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

**(iii) Allowance for uncollectible 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. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

## 4. RECENT PRONOUNCEMENTS

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 01, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of Profit and Loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency. specified under the head 'additional information' in the notes forming part of Standalone Financial Statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

## NOTE 5(A) PROPERTY, PLANT AND EQUIPMENT

(Amount in Lacs.)

| Description of assets | Leasehold Improvement | Computers | Electrical Installation | Furniture and fixtures | Vehicles | Office Equipments | Total |
|---|---|---|---|---|---|---|---|
| **I. Cost** | | | | | | | |
| **Balance as at March 31, 2021** | **635** | **543** | **427** | **703** | **199** | **73** | **2,580** |
| Reclass | 26 | (55) | (201) | (0) | (0) | 200 | (30) |
| Additions | 14 | 336 | - | 61 | 65 | 11 | 487 |
| Additions on Acquisition | - | 93 | - | 2 | 116 | 22 | 233 |
| Disposals | - | 38 | - | 0 | - | 2 | 40 |
| **Balance as at March 31, 2022** | **675** | **879** | **226** | **766** | **380** | **304** | **3,230** |
| **II. Accumulated depreciation/impairment** | | | | | | | |
| **Balance as at March 31, 2021** | **412** | **381** | **269** | **245** | **43** | **47** | **1,397** |
| Reclass | 16 | 12 | (125) | (8) | 1 | 124 | (4) |
| Additions on Acquisition | - | 72 | - | 2 | 63 | 20 | 156 |
| Depreciation for the year | 70 | 101 | 23 | 70 | 33 | 31 | 328 |
| Disposal | - | 21 | - | 0 | - | 1 | 10 |
| **Balance as at March 31, 2022** | **498** | **521** | **167** | **309** | **140** | **220** | **1,855** |
| **Net block (I-II)** | | | | | | | |
| **Balance as at March 31, 2022** | **177** | **357** | **59** | **457** | **240** | **84** | **1,375** |
| **Balance as at March 31, 2021** | **223** | **162** | **158** | **458** | **156** | **26** | **1,183** |

## NOTE 5(B) GOODWILL AND INTANGIBLE ASSETS

(Amount in Lacs.)

| Description of asset | Software | Trademark | Customer Contract & Other intangible | Goodwill | Total |
|---|---|---|---|---|---|
| **I. Cost** | | | | | |
| **Balance as at March 31, 2021** | **151** | **3** | **5,560** | **233** | **5,947** |
| Reclass | 31 | 0 | - | - | 31 |
| Additions | 23 | - | 14,070 | 1,488 | 15,581 |
| Additions on Acquisition | 131 | | | | 131 |
| Disposal | - | - | - | - | - |
| Exchage rate adjustment | - | - | 84 | 4 | 88 |
| **Balance as at March 31, 2022** | **337** | **3** | **19,714** | **1,725** | **21,778** |
| **II. Accumulated impairment losses** | | | | | |
| **Balance as at March 31, 2021** | **138** | **1** | **1,759** | **41** | **1,939** |
| Reclass | 5 | - | - | - | 5 |
| Additions on Acquisition | 86 | - | - | - | 86 |
| Amortization for the year | 34 | - | 913 | - | 947 |
| **Balance as at March 31, 2022** | **263** | **1** | **2,672** | **41** | **2,977** |
| **Net block (I-II)** | | | | | |
| **Balance as at March 31, 2022** | **73** | **2** | **17,042** | **1,684** | **18,801** |
| **Balance as at March 31, 2021** | **13** | **2** | **3,801** | **192** | **4,008** |

## NOTE 6 NON CURRENT INVESTMENTS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Investment at amortised cost** | | |
| **Investment in bonds (Unquoted)** | | |
| - HDB FS Ltd. Bond - (7.76% Coupon Rate) | - | 624 |
| - HDFC LTD Bond SR-Q-009 (6.99% Coupon Rate) | - | 513 |
| - KMIL/2016-17/030-NCD 05AG2020 - Zero Coupon | - | - |
| - ICICI Perpetual Bond (9.20% Coupon Rate) | - | 200 |
| - Manappuram Finance Ltd. Bond (8.75% Coupon Rate) | - | 266 |
| - L&T Finance Bond (7.75% Coupon Rate) | 521 | 529 |
| - Muthoot Finance Ltd (Bond) (7.40% Coupon Rate) | - | 268 |
| - SBI Perpetual Bond (8.39% Coupon Rate) | - | 514 |
| - Shriram City Union Finance Debenture (9.55% Coupon Rate) | - | 218 |
| - Shriram Transport Finance Bond (9.10% Coupon Rate) | - | 208 |
| - SBI Cards Bond (8.10% Coupon Rate) | - | 508 |
| - Shriram Tranport Finance Co Bond (9.50% Coupon Rate) | | 204 |
| **Investment at fair value through profit and loss** | | |
| **Investment in Mutual Fund (Quoted)** | | |
| - Bharat Bond | - | 502 |
| (11.3294 units ) | | |
| - IDFC Corporate Bond Fund | 106 | 101 |
| (671,215.499 units ) | | |
| - Kotak Low Duration Fund Direct Growth | - | 406 |
| (2773.6291 units ) | | |
| - UTI Short Term Income Fund | - | 528 |
| (2165043.686 units (Previous Year 2165043.686 units)) | | |
| - ICICI Prudential Corporate Bond Fund | 70 | 625 |
| (2646247.361 units (Previous Year 2646247.361 units) | | |
| - HDFC FMP Fund | 256 | 246 |
| (2000000 units (Previous Year 2000000 units)) | | |
| - ICICI Prudential Fixed Maturity Plan | 262 | 252 |
| (2000000 units (Previous Year 2000000 units)) | | |
| - AXIS CPSE PLUS SDL - DEBT INDEX REG (G) | 581 | - |
| (5768590 units (Previous Year Nil)) | | |
| - AXIS FOCUSED 25 FUND GR | 3 | - |
| (7164 units (Previous Year Nil)) | | |
| - AXIS TREASURY ADVANTAGE FUND-GROWTH | 301 | - |
| (12052 units (Previous Year Nil)) | | |
| - CANARA ROECO-FLEXI CAP FUND GR | 4 | - |
| (1831 units (Previous Year Nil)) | | |
| - DSP NIFTY SDL PLUS INDEX FUND GROWTH | 200.16 | - |
| (1996127 units (Previous Year Nil)) | | |

| | | |
|---|---|---|
| - EDELWEISS ARBITRAGE FUND GROWTH | 25.47 | - |
| (162093 units (Previous Year Nil)) | | |
| - EDELWEISS BHARAT BOND 2030 REG GR | 200 | - |
| (1671388 units (Previous Year Nil)) | | |
| - ICICI PRU PSU BOND INDEX FUND (G) | 504.64 | - |
| (4965251 units (Previous Year Nil)) | | |
| - NJ BALANCED ADVANTAGE FUND-GR | 29 | - |
| (284988 units (Previous Year Nil)) | | |
| - SBI CPSE BOND PLUS INDEX FUND GR | 200.95 | - |
| (1985505 units (Previous Year Nil)) | | |
| **Total** | **3,264** | **6,712** |

## NOTE 7 OTHER FINANCIAL ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unsecured considered goods** | | |
| Security Deposit | 270 | 256 |
| **Total** | **270** | **256** |

## NOTE 7(A) INCOME TAX ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Advance tax | 108 | 37 |
| **Total** | **108** | **37** |

## NOTE 8 OTHER NON CURRENT ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Prepaid expense | 9 | 18 |
| MAT Credit Receivable | | |
| **Total** | **9** | **18** |

## NOTE 9 INVENTORIES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **(At lower of cost and net realisable value)** | | |
| **Technical Development WIP :** | | |
| Balance at the beginning of the year | - | - |
| Add: Created during the year | - | - |
| Less: Utilised/Written off during the year | | - |
| **Total** | **-** | **-** |

## NOTE 10 CURRENT INVESTMENTS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Investment at fair value through profit and loss** | | |
| **Investment in Mutual Fund (Quoted)** | | |
| - Aditya Birla Sun Cash Plus | 287 | - |
| (NIL units (Previous Year 211401.318 units)) | | |
| - Aditya Birla Sun Life Savings Fund | - | 393 |
| (92151 units (Previous Year NIL units)) | | |
| **Total** | **287** | **393** |

## NOTE 11 TRADE RECEIVABLES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade Receivables | 6,527 | 3,949 |
| Receivables from other related parties (Note 45) | | |
| **Total** | **6,527** | **3,949** |

### Break-up for security details:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Trade receivables** | | |
| Secured, considered good | | |
| Unsecured, considered good (refer ageing below) | 6,364 | 3,949 |
| Trade Receivables which have significant increase in credit risk | 163 | |
| Trade Receivables - credit impaired | | |
| **Total** | **6,527** | **3,949** |

### Trade receivables Ageing Schedule

As at March 31, 2022

(Amount in Lacs.)

| Particulars | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 636 | 5,485 | 243 | | | | 6,364 |
| Undisputed Trade Receivables – which have significant increase in credit risk | | | | | | 163 | 163 |
| Undisputed Trade receivable – credit impaired | | | | | | | |
| **Total** | **636** | **5,485** | **243** | | **-** | **163** | **6,527** |

### Trade receivables Ageing Schedule
As at March 31, 2021

(Amount in Lacs.)

| Particulars | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 338 | 2,993 | 618 | | | | 3,949 |
| Undisputed Trade Receivables – which have significant increase in credit risk | | | | | | | |
| Undisputed Trade receivable – credit impaired | | | | | | | |
| **Total** | **338** | **2,993** | **618** | | **-** | **-** | **3,949** |

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

## NOTE 12 CASH AND BANK BALANCES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **a) Cash and cash equivalents** | | |
| Balance with banks | | |
| - in current accounts | 4,108 | 2,269 |
| - in deposit accounts | - | |
| Cash in hand | 1 | 1 |
| **Total** | **4,109** | **2,270** |
| **b) Bank balances other than those disclosed above** | | |
| Balance with banks | | |
| - in deposit accounts* | 2,068 | 1,335 |
| **Total** | **6,177** | **3,605** |

*Deposit accounts with banks having maturity more than 3 months but less than 12 months)

## NOTE 13 OTHER FINANCIAL ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Employees Advance | 15 | 10 |
| Accrued Revenue | 352 | (44) |
| Other Advances | 14 | 10 |
| Travelling Advance | - | - |
| Accrued interest | 77 | 64 |
| **Total** | **458** | **40** |

## NOTE 14 OTHER CURRENT ASSETS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Prepaid Expenses | 239 | 240 |
| Accrued Interest | | - |
| Accrued Revenue | | 253 |
| Travelling advance to employees | 21 | 5 |
| Balances with Government Department | 286 | 42 |
| Advance to Supplier | 71 | 60 |
| **Total** | **617** | **600** |

## NOTE 15(A) EQUITY SHARE CAPITAL

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | Amount in Lacs. | No. of shares | Amount in Lacs. |
| **(a) Authorised** | | | | |
| Equity shares of Lacs. 10 each | 250 | 2,500 | 250 | 2,500 |
| **Total** | **250** | **2,500** | **250** | **2,500** |
| **(b) Issued, subscribed and fully paid up** | | | | |
| Equity shares of Lacs. 10 each | 242 | 2,417 | 240 | 2,402 |
| **Total** | **242** | **2,417** | **240** | **2,402** |

### (c) Reconciliation of the equity shares outstanding

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | Amount in Lacs. | No. of shares | Amount in Lacs. |
| At the beginning of the year | 240 | 2,402 | 240 | 2,402 |
| Issued during the year | 2 | 15 | - | - |
| **Outstanding at the end of the year** | **242** | **2,417** | **240** | **2,402** |

### (d) Terms/ Right attached to Shares

(i) The equity shares of the Company, having par value of Lacs. 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders Lacs.

### (e) Details of shares held by each shareholder holding more than 5% shares:

| Name of Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares held | % of holding | No. of shares held | % of holding |
| Mr. Avinash Sethi | 59 | 24.60% | 60 | 24.98% |
| Mr. Siddharth Sethi | 60 | 24.85% | 60 | 24.99% |
| Mr. Mitesh Bohra | 50 | 20.74% | 50 | 20.89% |
| Mr. Mukul Agrawal | 13 | 5.17% | - | 0.00% |

**Details of shares held by promoters**
As at March 31, 2022

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Equity shares of INR 1 each fully paid | Siddharth Sethi | 60.01 | 0.06 | 60.07 | 24.85% | 0.00 |
| | Mitesh Bohra | 50.16 | (0.03) | 50.13 | 20.74% | (0.00) |
| | Avinash Sethi | 60.00 | (0.54) | 59.46 | 24.60% | (0.00) |
| | Shashikala Bohra | 9.85 | 0.07 | 9.92 | 4.10% | 0.00 |
| | Shibha Abhay Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Padmini Patni | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Abha Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Arpana Vineet Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Ashish Sethi | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Manoj Abhay kumar Jain | - | 0.10 | 0.10 | 0.04% | 0.00 |
| | Rajmal Bohra | - | 0.02 | 0.02 | 0.01% | 0.00 |
| | Meghna Sethi | - | 0.01 | 0.01 | 0.00% | 0.00 |
| | Rajendra Kumar Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Sheela Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Vibha Abhay kumar Jain | 0.00 | - | 0.00 | 0.00% | - |
| | **Total** | **180.04** | **0.17** | **180.21** | **74.56%** | **0.00%** |

As at March 31, 2021

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|---|---|---|---|---|---|---|
| Equity shares of INR 1 each fully paid | Siddharth Sethi | 60.01 | - | 60.01 | 24.99% | - |
| | Mitesh Bohra | 50.16 | - | 50.16 | 20.89% | - |
| | Avinash Sethi | 60.00 | - | 60.00 | 24.98% | - |
| | Shashikala Bohra | 9.85 | - | 9.85 | 4.10% | - |
| | Rajendra Kumar Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Sheela Sethi | 0.00 | - | 0.00 | 0.00% | - |
| | Vibha Abhaykumar Jain | 0.00 | - | 0.00 | 0.00% | - |
| | **Total** | **180.02** | **-** | **180.02** | **74.97%** | **-** |

## NOTE 15(B) - OTHER EQUITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Reserve and surplus | | |
| (a) Capital reserve | 615 | 615 |
| (b) Security premium reserve | 3,023 | 2,887 |
| (c) Share option outstanding account | 201 | 302 |
| (d) Foreign currency translation reserve | 259 | 41 |
| (e) General reserve | 255 | 255 |
| (f) Retained earnings | 16,415 | 11,634 |
| (g) Other comprehensive income | (128) | (33) |
| **Total** | **20,640** | **15,701** |

### Description of nature and purpose of each reserve

**(a) Capital reserve**

Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

**(b) Security premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

**(c) Share option outstanding account**

The reserve is used to recognize the grant date fair value of options issued to employees under Employee Stock Option Schemes and is adjusted on exercise/ forfeiture of options.

**(d) General reserve**

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**(e) Retained earnings**

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**(f) Other comprehensive income**

Other Comprehensive Income includes re-measurement loss on defined benefit plans, net of taxes that will not be reclassfied to profit & loss.

## NOTE 17 NON CURRENT- LEASE LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Lease liability | 1,929 | 2,712 |
| **Total** | **1,929** | **2,712** |

## NOTE 17(A) NON CURRENT-FINANCIAL LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Acquisition Holdback Payable | - | 91 |
| Acquisition Tranche Payable | - | 963 |
| Employee related payable | 358 | |
| Security deposits Payable | 50 | - |
| Deferred consideration payable for acquisition | 489 | - |
| **Total** | **897** | **1,054** |

## NOTE 18 PROVISIONS

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for Employee Benefits | | |
| Gratuity (Refer Note 35) | 539 | 571 |
| Leave Encashment | 151 | 80 |
| **Total** | **690** | **651** |

## NOTE 18(A) CURRENT- BORROWING

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Current maturity of Long term debt** | | |
| Kotak Car Loan | - | 1 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from January - 17 till January - 22. Rate of interest : 9.31% ) | | |

| | | |
|---|---|---|
| Kotak Car Loan | 1 | 2 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from October-17 till October-22. Rate of interest : 8.56% ) | | |
| Kotak Car Loan (Secured loan) | - | 1 |
| (Loan taken from Kotak Mahindra Prime Limited secured against hypothecation of Car. | | |
| Repayable in 60 installments starting from January -17 till January - 22. Rate of interest : 9.31% ) | | |
| PPP loan granted Paycheck Protection of US | | 551 |
| **Total** | **1** | **555** |

## NOTE 19 CURRENT LEASE LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Lease liability | 881 | 583 |
| **Total** | **881** | **583** |

## NOTE 19(A) TRADE PAYABLES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade payables (refer ageing below) | 349 | 265 |
| Trade payables to related parties | | |
| **Total** | **349** | **265** |

### Trade payables Ageing Schedule

As at March 31, 2022

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | |
|---|---|---|---|---|
| | Less than 1 year | 1-2 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | 29 | | 30 | 59 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 290 | | | 290 |
| Disputed dues of micro enterprises and small enterprises | | | | |
| Disputed dues of creditors other than micro enterprises and small enterprises | | | | |
| **Total** | **319** | **-** | **30** | **349** |

**Trade payables Ageing Schedule**
As at March 31, 2021

(Amount in Lacs.)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Total outstanding dues of micro enterprises and small enterprises | 8 | | 30 | | 38 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 191 | | 36 | | 227 |
| Disputed dues of micro enterprises and small enterprises | | | | | |
| Disputed dues of creditors other than micro enterprises and small enterprises | | | | | |
| **Total** | **199** | **-** | **66** | **-** | **265** |

There are no unbilled" and "Not due" trade payables, hence the same are not disclosed in the ageing schedule.

## NOTE 20 CURRENT-OTHER FINANCIAL LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred consideration payable for acquisition | 9,120 | |
| Other Payables | 349 | 109 |
| **Total** | **9,469** | **109** |

## NOTE 21 CURRENT TAX LIABILITY

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for Taxation | | - |
| [Net of advance tax Lacs. 64,051,026; (As at March 31, 2021 ₹ 48,389,968)] | | |
| **Total** | **-** | **-** |

## NOTE 22 OTHER CURRENT LIABILITIES

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Statutory Dues | 560 | 208 |
| Other Payables | | 48 |
| Deffered Revenue | 34 | 253 |
| **Total** | **594** | **510** |

## NOTE 22(A) PROVISIONS-CURRENT

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for Gratuity | 117 | - |
| Provision for leave encashment | 63 | |
| **Total** | **180** | **-** |

## NOTE 23 REVENUE FROM OPERATIONS

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Rendering of services (software services) | 27,141 | 18,034 |
| **Total** | **27,141** | **18,034** |

## NOTE 24 OTHER INCOME

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Gain on Redemption of Investments (Mutual Fund) | 76 | 27 |
| Gain on fair value of investment (Mutual Fund) | 104 | 161 |
| Gain/ (loss) on fair value of investment in preference share | | 84 |
| Profit / (Loss) on option booking | 94 | - |
| Dividend Received | - | 20 |
| Foreign Exchange Gain/(Loss) | 108 | 54 |
| Subsidy income (Revenue) | 558 | 606 |
| Interest on FDR | 109 | 69 |
| Interest on Bond | 211 | 281 |
| Profit / (Loss) on Sale of Fixed Assets | (14) | (0) |
| Interest on security deposit | 7 | 4 |
| Profit / (Loss) on Sale of bond | 39 | |
| Sundry balances written back | 459 | - |
| Miscellaneous Income | 6 | 290 |
| **Total** | **1,757** | **1,595** |

## NOTE 25 EMPLOYEE BENEFITS EXPENSE

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Salaries, Wages and Allowances | 16,339 | 10,908 |
| Employee Compensation Expenses | 35 | 265 |
| Contribution to P.F, E.S.I and Other Statutory Funds | 348 | 227 |
| Gratuity (refer note 35) | 190 | 104 |
| Leave Encashment | 134 | 62 |
| Staff Welfare Expenses | 253 | 140 |
| **Total** | **17,299** | **11,706** |

## NOTE 26 (INCREASE)/DECREASE IN TECHNICAL DEVEOPMENT WIP

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Technical Deveopment WIP at beginning of the Year | - | - |
| Technical Deveopment WIP at end of the Year | - | - |
| **Total** | **-** | **-** |

## NOTE 27 INTEREST EXPENSE

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Interest on Car Loan | 0 | 2 |
| Interest Cost on Deferred Consideration | 180 | - |
| Bank Guarantee Charges | - | 0 |
| Interest Others | - | 0 |
| Other finance cost on Lease | 281 | 320 |
| **Total** | **461** | **322** |

## NOTE 27(A) OTHER EXPENSES

(Amount in Lacs.)

| Particulars | For the period ended March 31, 2022 | For the period ended March 31, 2021 |
|---|---|---|
| Power and Fuels | 52 | 35 |
| Loss on option booking | - | |
| Repairs and Maintenance | | |
| Buildings | 75 | 101 |
| Computers | 49 | 36 |
| Rent | 99 | 101 |
| Insurance | 113 | 95 |
| Travelling Expenses | 192 | 60 |
| Internet Charges | 29 | 42 |
| Legal and Consultancy | 172 | 392 |
| Tea and Food Expenses | 50 | 15 |
| Telephone Expenses | 21 | 13 |
| Software License and Subscription Fees | 205 | 142 |
| Professional Fees | 1,187 | 652 |
| Sales and Business Promotion | 182 | 97 |
| Bad debt written off | 81 | - |
| Auditors Remunerations | 6 | 2 |
| Internal Auditor Fees | 7 | 7 |
| Trade Tax | - | 93 |
| Corporate Social Responsibility (CSR) Activities | 65 | 49 |
| Miscellaneous Expenses | 508 | 488 |
| **Total** | **3,093** | **2,420** |

## NOTE 28 CURRENT TAX AND DEFERRED TAX

### (A) Major Components of income tax expenses

(Amount in Lacs.)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| **(a) Statement of profit and loss:** | | |
| (i) Current tax: | | |
| - In respect of current year | 938 | 643 |
| - In respect of earlier year | - | (17) |
| (ii) Deferred tax: | | |
| - In respect of current year | (219) | (816) |
| - In respect of earlier year | - | 12 |
| Net deferred tax expenses | (219) | (804) |
| **Total tax expense recognised in statement of profit and loss** | **719** | **(178)** |
| **(b) Other comprehensive income:** | | |
| (i) Deferred tax - remeasurement of the defined benefit obligation | 39 | 7 |
| **Total tax expense recognised in total comprehensive loss** | **758** | **(171)** |

### (B) Numerical reconciliation between average effective tax rate and applicable tax rate :

(Amount in Lacs.)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|---|---|
| **Profit before tax** | **6,018** | **3,506** |
| Applicable tax rate | 29.12% | 29.12% |
| Computed tax expense | 1,752 | 1,021 |
| Effect of expenses that is non-deductible in determining taxable profit / accounting profit | | (1,182) |
| Others (including effect of recognition of deferred tax asset on previous year tax losses) | | - |
| **Income tax expense recognised in statement of profit and loss** | **1,752** | **(161)** |

### (C) Deferred Tax

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2022 | | | | |
|---|---|---|---|---|---|
| | As at March 31, 2021 | Recognised in | | Business Combination | As at March 31, 2022 |
| | | Profit and Loss | OCI | | |
| Tax effect of items constituting deferred tax liability on: | | | | | |
| Deferred tax impact on acquisition of intangible assets | - | (137) | - | 3,509 | 3,372 |
| **Total (A)** | **-** | **(137)** | **-** | **3,509** | **3,372** |
| Tax effect of items constituting deferred tax assets: | - | - | - | - | - |
| Deferred tax asset on tangible Assets | (689) | (28) | - | 25 | (692) |
| Deferred tax impact on fair value of investment on mutual fund | - | (41) | - | - | (41) |
| Deferred tax asset Amortization of intangibles | - | 108 | - | - | 108 |

| | | | | | |
|---|---|---|---|---|---|
| MAT Credit Entitlement | 1,172 | 206 | - | - | 1,378 |
| Deferred tax asset on lease liability | - | 1 | - | 12 | 13 |
| Provision for compensated absences and gratuity | 246 | 43 | - | 33 | 321 |
| Remeasurement of defined benefit plans | (16.00) | - | 39 | - | 23 |
| **Total (B)** | **713** | **289** | **39** | **69** | **1,110** |
| Deferred tax inrespect of earlier years | - | - | - | - | - |
| Deferred tax assets have been restricted to the extent of deferred tax liabilities | - | - | - | - | - |
| **Deferred tax liabilities/(assets) (net) (A-B)** | **(713)** | **(426)** | **(39)** | **3,440** | **2,262.2** |

(Amount in Lacs.)

| **Particulars** | **For the year ended March 31, 2021** | | | |
|---|---|---|---|---|
| | **As at March 31, 2020** | **Recognised in** | | **As at March 31, 2021** |
| | | **Profit and Loss** | **OCI** | |
| Tax effect of items constituting deferred tax liability on: | | | | |
| Property, plant and equipment, right to use asset and intangible assets and other | 1,506 | (681) | - | 825 |
| Deferred tax impact on acquisition of intangible assets | | | | - |
| **(A)** | **1,506** | **(681)** | **-** | **825** |
| Tax effect of items constituting deferred tax assets: | | | | |
| Deferred tax asset on tangible Assets | 129 | 7 | 0 | 136 |
| MAT Credit Entitlement | 1,082 | 90 | 0 | 1,172 |
| Deferred tax asset on lease liability | - | - | - | |
| Provision for compensated absences and gratuity | 209 | 37 | - | 246 |
| Provison for doubtful debts | - | - | - | - |
| Other disallowances under section 40(a)(i) of the income-tax act, 1961 | - | - | - | - |
| Other disallowances under section 43B of the income-tax act, 1961 | - | - | - | - |
| Deferred tax asset on interest disallowance under section 94B | - | - | 0 | - |
| Remeasurement of defined benefit plans | (9) | - | (7) | (16) |
| **(B)** | **1,411** | **134** | **(7)** | **1,538** |
| Deferred tax inrespect of earlier years | | | | - |
| Deferred tax assets have been restricted to the extent of deferred tax liabilities | - | - | - | - |
| **Deferred tax liabilities/(assets) (net) (A-B)** | **95** | **(815)** | **7** | **(713)** |

## NOTE 29 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

(Amount in Lacs.)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **(a)** | **Commitments** | | |
| | Contracts of capital nature | - | - |
| **(b)** | **Contingent Liabilities** | | |
| | Corporate Guarantee given' to Philiosophie Group Inc. | - | - |

## NOTE 30 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(Amount in Lacs.)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| (a) | Principal amount remaining unpaid to any supplier as at the end of the accounting year | 61 | - |
| (b) | Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (c) | The amount of principal paid beyond the appointed day | - | - |
| (d) | The amount of interest due and payable for the year | - | - |
| (e) | The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (f) | The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

## NOTE 31 LEASES

The Company's significant leasing arrangements are in respect of office premises and equipment taken on leave and licence basis.

(i)The following is the summary of practical expedients elected:

a)Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b)Applied the exemption not to recognize right-of-use assets and liabilities for leases :

a.with less than 12 months of lease term on the date of initial application

(ii)The effect of depreciation and interest related to Right Of Use Asset and Lease Liability are reflected in the Statement of Profit and Loss under the heading "Depreciation and Amortisation Expense" and "Finance costs".

(iii)The weighted average incremental borrowing rate applied to lease liabilities for FY 21-22 is 9.50%.

**The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows:**

(Amount in Lacs.)

| Particulars | Total amount |
|---|---|
| **Balance as at March 31, 2020** | **3,217** |
| Addition | 574 |
| Deletion | (10) |
| Depreciation | (753) |
| **Balance as at March 31, 2021** | **3,028** |
| Addition | 265 |
| Addition on Acquition | 215 |
| Deletion | (343) |
| Depreciation | (752) |
| **Balance as at March 31, 2022** | **2,413** |

**The break-up of current and non-current lease liabilities as at March 31, 2022 is as follows:**

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current lease liabilities | 881 | 584 |
| Non- current lease liabilities | 1,929 | 2,712 |
| **Total** | **2,810** | **3,296** |

**The movement in lease liabilities during the year ended March 31, 2022 is as follows:**

(Amount in Lacs.)

| Particulars | Total amount |
|---|---|
| **Balance as at March 31, 2020** | **3,323** |
| Addition | 575 |
| Deletion | (12) |
| Finance cost accrued | 320 |
| Payment of lease liabilities | (910) |
| **Balance as at March 31, 2021** | **3,296** |
| Addition | 265 |
| Addition on Acquition | 260 |
| Deletion | (354) |
| Finance cost accrued | 281 |
| Payment of lease liabilities | (937) |
| **Balance as at March 31, 2022** | **2,810** |

**The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:**

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Not later than one year | 1,100 | 871 |
| Later than one year but not later than five years | 2,292 | 2,989 |
| More than five years | | 210 |

## NOTE 32 EARNINGS PER SHARE

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Profit after tax for the year attributable to the equity shareholders | 5,504 | 3,683 |
| **No of Equity Shares Outstanding at the end of the year** | | |
| Weighted average number of equity shares (Nos.) | 241.26 | 240 |
| Face value per share (In Lacs.) | 10 | 10 |
| Basic earnings per share | 11.51 | 15.34 |
| **(b) Diluted Earning per share** | | |
| Profit after tax for the year attributable to the equity shareholders | 5,504 | 3,683 |
| No of Equity Shares Outsatnding at the end of the year | | |
| Weighted average number of equity shares (Nos.) | 243 | 243 |
| Face value per share (In Lacs.) | 10 | 10 |
| Diluted earnings per share | 22.62 | 15.16 |

## NOTE 33 SEGMENT REPORTING

The Company is primarily engaged in business of software development services, specializing in business application development for web and mobile and operate at Capability Maturity Model Integration (CMMI) level 3, which is considered by the management to constitute one business segment. Accordingly, there is no other separate reportable segment as defined by Ind AS 108 "Operating Segments", however the company has presented geographical segment at consol level. (Refer Note 33 of Consolidated Financial Statements)

Information on reportable segments for the year ended March 31, 2022 along with comparatives is given below:

### Revenues as per geographies

(Amount in Lacs.)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Country** | | |
| Germany | 756 | - |
| UAE | 942 | - |
| DMCC | 54 | |
| Europe | 27 | 789 |
| Hong Kong | - | 15 |
| India | 3,604 | 960 |
| Middle East | - | 530 |
| Singapore | 67 | - |
| Sweden | 33 | 33 |
| switzerland | 3 | 74 |
| UK | 17 | 5 |
| US | 21,665 | 15,628 |
| **Total** | **27,168** | **18,034** |

## NOTE 34 RELATED PARTY DISCLOSURES

Details of related parties and their relationship

### (a) Enterprises where control exists

| | |
|---|---|
| InfoBeans INC | Wholly owned subsidiary |
| InfoBeans Technologies DMCC | Wholly owned subsidiary |
| InfoBeans Technologies Europe GmbH | Wholly owned subsidiary |
| Philosophie Group INC | Step down subsidiary |
| Eternus Solutions Pvt Ltd | |

### (b) Subsidiary Company

| | |
|---|---|
| InfoBeans INC | |
| InfoBeans Technologies DMCC | |
| InfoBeans IT City Private Limited | (Up to March 31, 2019) |
| InfoBeans Technologies Europe GmbH | |
| Eternus Solutions Pvt Ltd | (From December 01, 2021) |

### (c) Step down Subsidiary Company

| | |
|---|---|
| Philosophie Group INC | (From October 01, 2020) |
| (Holding Company : InfoBeans INC) | |

### (d) Group Associates

| |
|---|
| InfoBeans Social and Educational Welfare Society |

### (e) Entities having interest of directors

| |
|---|
| GullyBuy Software Private Limited |

### (f) Key management personnel (KMP)/ Director

| | |
|---|---|
| Mr Mitesh Bohra | Executive Director and President |
| Mr. Avinash Sethi | Director and Chief Financial Officer |
| Mr. Siddharth Sethi | Managing Director |
| Mr. Santosh Muchhal | Independent Director |
| Mr. Sumer Bahadur Singh | Independent Director |
| Miss. Shilpa Saboo | Independent Director |
| Miss. Surbhi Jain | Company secretary |

### (g) Other related parties

| | |
|---|---|
| Mrs. Vibha Jain | Relative of Key managerial personnel |
| Mrs. Meghna Sethi | Relative of Key managerial personnel |
| Mrs. Shashikala Bohra | Relative of Key managerial personnel |
| Mrs. Shibha Abhay Jain | Relative of Key managerial personnel |
| Mrs. Padmini Patni | Relative of Key managerial personnel |
| Mrs. Abha Jain | Relative of Key managerial personnel |
| Mrs. Arpana Vineet Jain | Relative of Key managerial personnel |
| Mr. Ashish Sethi | Relative of Key managerial personnel |
| Mr. Manoj Abhaykumar Jain | Relative of Key managerial personnel |
| Mr. Rajmal Bohra | Relative of Key managerial personnel |
| Mrs. Sheela Sethi | Relative of Key managerial personnel |
| Mr. Rajendra Kumar Sethi | Relative of Key managerial personnel |

### List of transactions with related parties

(Amount in Lacs.)

| Sr. No. | Particular | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| **1** | **Transactions with Group Associates** | | |
| | - InfoBeans Social and Educational Welfare Society (CSR Donation) | 43 | - |
| **2** | **Directors' Remuneration (Refer note 25)** | | |
| | - Mr. Avinash Sethi | 74 | 46 |
| | - Mr. Siddharth Sethi | 73 | 45 |
| | - Mr. Mitesh Bohra | 357 | 157 |
| **3** | **Dividend Paid** | | |
| | - Mr. Mitesh Bohra | 150 | - |
| | - Mr. Avinash Sethi | 178 | - |

| | | | |
|---|---|---|---|
| | - Mr. Siddharth Sethi | 180 | - |
| | - Mrs. Shashikala Bohra | 30 | - |
| | - Mr. Rajendra Kumar Sethi | 0 | - |
| | - Mrs. Vibha Jain | 0 | - |
| | - Mrs. Sheela Sethi | 0 | - |
| | - Mrs. Shibha Abhay Jain | 0 | - |
| | - Mrs. Padmini Patni | 0 | - |
| | - Mrs. Abha Jain | 0 | - |
| | - Mrs. Arpana Vineet Jain | 0 | - |
| | - Mr. Ashish Sethi | 0 | - |
| | - Mr. Manoj Abhaykumar Jain | 0 | - |
| **4** | **Other Related Parties** | | |
| | - Remuneration to Other Related Parties | | |
| | - Mrs. Vibha Jain | 23 | 23 |
| | - Mrs. Meghna Sethi | 23 | 23 |
| | **- Sales to Entity in which Director is Interested** | | |
| | - GullyBuy Software Private Limited | - | 3 |

## NOTE 35 EMPLOYEE BENEFITS

### The disclosures as per Ind AS 19 - Employee Benefits are as follows:

#### Defined contribution plans

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 22,732,232 for the year ended March 31, 2021 (₹ 22,746,641 for the year ended March 31, 2020) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

#### Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity (Refer Note 25)

ii. Long-term compensated absences (Refer Note 25)

These plan typically expose the group to actuarial risk such as: Investment risk, interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Investment Risk | The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long term nature of plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan asset should be invested in equity securities and in real estate to leverage the return generated by the fund. |
| Interest Risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investment. |
| Longevity Risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary Risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

(a) Expense recognized in the statement of profit and loss:

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **(i) Components of defined benefit costs recognised in profit and loss** | | |
| Current service cost | 182 | 119 |
| Net interest cost | 54 | 38 |
| Expected return on Plan assets | (9) | (7) |
| **Total expense recognised in profit and loss** | **227** | **150** |
| **(ii) Components of defined benefit costs recognised in other comprehensive income** | | |
| **Acturial (gains) / losses** | | |
| Due to change in financial assumption | 67 | - |
| Due to change in demographic Assumption | 28 | - |
| Due to change in experience | 39 | (22) |
| Return on plan assets, excluding interest income | 0 | 0 |
| **Total expense recognised in other comprehensive income** | **134** | **(22)** |
| **Total expense** | **361** | **128** |

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **(b) Net liability recognised in balance sheet** | | |
| Present value of defined benefit obligation | 1,043 | 711 |
| Fair value of plan assets | 387 | 140 |
| Funded status (deficit) (refer note 18) | 656 | 571 |
| **(c) Movement in present value of defined benefit obligation** | | |
| Present value of defined benefit obligation at the beginning of the year | 841 | 601 |
| Interest on defined benefit obligation | 54 | 37 |
| Current Service Cost | 181 | 119 |
| Benefits paid | (167) | (23) |
| Actuarial(gains)/losses arising from changes in demographic assumptions | 28 | - |
| Actuarial (gains)/losses on obligations - Due to change in financial assumptions | 67 | - |
| Actuarial (gains)/losses on obligations - Due to change in experience | 39 | (23) |
| Present value of defined benefit obligation at the end of the year | 1,043 | 711 |
| **(d) Movement in fair value of plan assets** | | |
| Fair value of plan assets at the beginning of the year | 140 | 107 |
| Expected return on plan assets | 9 | 7 |
| Employer contributions | 300 | 49 |
| Benefits paid | (62) | (23) |
| Actuarial gain/(loss) on plan assets | (0) | - |
| Fair value of plan assets at the end of the year | 387 | 140 |

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **(e) Movement of net liability recognised in the balance sheet** | | |
| Opening net defined benefit liability | 700 | 493 |
| Expense recognized in statement of profit and loss | 227 | 150 |
| Expense recognized in other comprehensive income | 134 | (23) |
| Employers contribution | (300) | (49) |
| Benefits paid by the Company | (33) | |
| Net (asset) / liability to be recognised in balance sheet | 728 | 571 |
| **(f) Composition of the plan assets is as follows** | | |
| Others (LIC managed funds) | 100% | 100% |
| **(g) The principal assumptions used in determining defined benefit obligations:** | | |
| **(i) Financial assumptions:** | | |
| Discount rate | 6.00%-6.25 % per annum | 6.25 % per annum |
| Rate of return on plan assets | 7.00 % per annum | 7.00 % per annum |
| Salary escalation current | 7.00 %-8.00 % per annum | 7.00 % per annum |
| **(ii) Demographic assumptions:** | | |
| Attrition rate | | |
| Mortality rate | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| Retirement Age | 60 years | 60 years |

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**(h) Actuarial assumptions for long-term compensated absences**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Discount rate | 6.00%-6.25 % per annum | 6.25 % per annum |
| Salary escalation | 7.00 %-8.00 % per annum | 7.00 % per annum |

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

#### (j) Maturity profile

(Amount in Lacs.)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| 1st Following Year | 178 | 100 |
| 2nd Following Year | 68 | 24 |
| 3rd Following Year | 60 | 25 |
| 4th Following Year | 53 | 24 |
| 5th Following Year | 50 | 23 |
| Sum of Years 6 and above | 660 | 515 |

## NOTE 36 FINANCIAL INSTRUMENTS

### (a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders through the optimization of the debt and equity.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 16 and 20 offset by cash and bank balances) and total equity of the Company.

(Amount in Lacs.)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| Debt * | | 3 | 555 |
| Cash and bank balances | | 6,177 | 3,605 |
| **Net debt** | **(A)** | **(6,174)** | **(3,050)** |
| Total equity | (B) | 23,054 | 18,103 |
| **Net debt to equity ratio** | **(A/B)** | **(0.27)** | **(0.17)** |

*Debt is defined as long-term and short-term borrowings (excluding financial guarantee contracts) including current maturities of long term debt.

### (b) Financial risk management objectives

The Company's principal financial liabilities comprises of borrowings , trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes trade and other receivables, and cash and cash equivalents 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.

#### (i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations and arises principally from the Company's receivables, deposits given, loans given, and balances at bank.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

In case of trade receivables, the Company does not hold any collateral or other credit enhancements to cover its credit risks. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

#### Fair Value Hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

The different levels have been defined as follows:

Level-1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at net market value.

Level-2 – Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level- 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| **Financial Assets:** | | | | |
| Mutual fund investments | 2,744 | - | - | 2,744 |
| Equity Shares | - | - | - | - |
| Treasury bonds and bills | - | 521 | - | 521 |
| Non-convertible Debentures | - | - | - | - |
| Perpetual bonds | - | - | - | - |
| Investment in Equity Instrument | - | - | - | - |
| Derivative financial assets | - | - | - | - |
| **Total** | **2,744** | **521** | **-** | **3,264** |
| **Financial Liabilities:** | | | | |
| Other financial liabilities | - | - | 10,366 | 10,366 |
| **Total** | **-** | **-** | **10,366** | **10,366** |

(Amount in Lacs.)

| Particulars | As at March 31, 2021 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| **Financial Assets:** | | | | |
| Mutual fund investments | 3,053 | - | - | 3,053 |
| Equity Shares | - | - | - | - |
| Treasury bonds and bills | - | 3,121 | - | 3,121 |
| Non-convertible Debentures | - | 218 | - | 218 |
| Perpetual bonds | - | 714 | - | 714 |
| Investment in Equity Instrument | - | | - | 3,887 |
| Derivative financial assets | - | - | - | - |
| **Total** | **3,053** | **4,053** | **-** | **7,106** |
| **Financial Liabilities:** | | | | |
| Other financial liabilities | - | - | 109 | 109 |
| **Total** | **-** | **-** | **109** | **109** |

The carrying amount of following financial assets represents the maximum credit exposure;

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Trade Receivables (Unsecured)** | | |
| Over six months | 406 | 158 |
| Less than six months | 6,121 | 3,791 |
| **Total** | **6,527** | **3,949** |

Movement in allowance for credit loss during the year was as follows;

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance at beginning of the year | - | - |
| Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | - | - |
| **Balance at end of the year** | **-** | **-** |

Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the accounts receivable.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit-rating agencies.

### (ii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### (1) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies, consequently exposures to exchange rate fluctuations arise. The management has taken a position not to hedge this currency risk.

The carrying amount of following financial assets represents the maximum credit exposure;

(Amount in Lacs.)

| Particulars | Currency | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| Trade Payables | USD | - | 242 |
| Trade Payables | EURO | - | - |
| Trade Payables | AED | - | - |

#### (2) Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupee against the relevant foreign currency. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens 10% against the relevant currency. For a 10% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit and the balance would be negative.

(Amount in Lacs.)

| Particulars | Sensitivity analysis | Effect on Profit Before tax | |
|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 |
| EURO | +10% | - | (24) |
| EURO | -10% | - | 24 |
| USD | +10% | - | - |
| USD | -10% | - | - |
| GBP | +10% | - | - |
| GBP | -10% | - | - |

#### (3) Interest rate risk

The borrowings of the Company are at fixed interest rates, consequently the Company is not exposed to interest rate risk.

### (iii) Liquidity Risk

#### (1) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow generated from operations. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Trade and other payables are non-interest bearing and the average credit term is 30-90 days.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments;

(Amount in Lacs.)

| Particulars | Due in 1st year | Due in 2nd to 5th year | Due after 5 years | Total contracted cash flows | Carrying value |
|---|---|---|---|---|---|
| **As at March 31, 2022** | | | | | |
| Trade payables and other financial liabilities | 9,819 | 897 | - | 10,716 | 10,716 |
| Borrowings | 1 | - | - | 1 | 1 |
| Lease liability | 881 | 1,929 | - | 2,810 | 2,810 |
| **Total** | **10,701** | **2,826** | **-** | **13,527** | **13,527** |
| **As at March 31, 2021** | | | | | |
| Trade payables and other financial liabilities | 374 | - | - | 374 | 374 |
| Borrowings | 554 | 1 | - | 555 | 555 |
| Lease liability | 583 | 2,512 | 200.38 | 3,295 | 3,295 |
| **Total** | **1,511** | **2,513** | **200** | **4,224** | **4,224** |

### (c) Categories of financial instruments and fair value thereof

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **A Financial assets** | | | | |
| **i) Measured at cost** | | | | |
| Investment in subsidiary | - | - | - | - |
| **ii) Measured at fair value** | | | | |
| Investment in mutual fund | 2,744 | 2,744 | 3,053 | 3,053 |
| Investment in preference shares | - | | - | - |
| **iii) Measured at amortised cost** | | | | |
| Investment in bonds | 521 | 521 | 4,052 | 4,052 |
| Trade Receivables | 6,527 | 6,527 | 3,949 | 3,949 |
| Cash and cash equivalents | 4,109 | 4,109 | 2,270 | 2,270 |
| Bank balances other than above | 2,068 | 2,068 | 1,335 | 1,335 |
| Other financial assets | 458 | 458 | 40 | 40 |
| **Total** | **16,426** | **16,426** | **14,699** | **14,699** |
| **B Financial liabilities** | | | | |
| **i) Measured at amortised cost** | | | | |
| Borrowings | 1 | 1 | 555 | 555 |
| Trade payables | 350 | 350 | 265 | 265 |
| Other financial liabilities | 10,366 | 10,366 | 1,163 | 1,163 |
| Lease liability | 2,810 | 2,810 | 3,296 | 3,296 |
| **Total** | **13,527** | **13,527** | **5,279** | **5,279** |

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.

### (d) Fair value measurement

All the financial assets and liabilities of the Company are measured at amortised cost except for investment.

**Financial instruments measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values,except for security deposit and investment since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## NOTE 37 CORPORATE SOCIAL RESPONSIBILITY (CSR)

### Details of CSR expenditure:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (a) Gross amount required to be spent by the Group during the year | 75 | 49 |
| (b) Amount approved by the Board to be spent during the year | 75 | 49 |

### (c) Amount spent during the year ending on March 31, 2022:

(Amount in Lacs.)

| Particulars | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| (i) Construction/acquisition of any asset | | | |
| (ii) On purposes other than (i) above | 63 | 12 | 74.59 |

### (d) Amount spent during the year ending on March 31, 2021:

(Amount in Lacs.)

| Particulars | In Cash | Yet to be paid in Cash | Total |
|---|---|---|---|
| (i) Construction/acquisition of any asset | | | |
| (ii) On purposes other than (i) above | 49 | - | 49 |

### (e) Details related to spent / unspent obligations:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (i) Contribution to Public Trust | | |
| (ii) Contribution to Charitable Trust | 75 | 49 |
| (iii) Unspent amount in relation to: | | |
| - ongoing project | | |
| - Other than ongoing project | | |
| **Total** | **75** | **49** |

Details of ongoing project and other than ongoing project

| In case of S. 135(6) (Ongoing Project) | | | | | | |
|---|---|---|---|---|---|---|
| Opening Balance | | Amount required to be spent during the year | Amount spent during the year | | Closing Balance | |
| With Company | In Separate CSR Unspent A/c | | From Company's bank A/c | From Separate CSR Unspent A/c | With Company | In Separate CSR Unspent A/c |
| | | | | | | |

### (d) Amount spent during the year ending on March 31, 2021:

(Amount in Lacs.)

| In case of S. 135(5) (Other than ongoing project) | | | | |
|---|---|---|---|---|
| Opening Balance | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
| | | | | |

## NOTE 38 DISCLOSURES FOR REVENUE FROM CONTRACTS WITH CUSTOMERS

### (i) Disaggregation of Revenue

Revenue disaggregation by reportable segments and by geography has been included in segment information.

The Group has evaluated the impact of the COVID-19 pandemic, amongst other matters, resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts, (ii) termination or deferment of contracts by customers and (iii) customer disputes in its assessment of recognition of revenue in accordance with INDAS-115.

### (ii) Performance Obligation

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

### (iii) Contract assets and liabilities

Changes in the contract assets balances during the year ended March 31, 2022 and March 31, 2021 are as follows:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Contract assets:** | | |
| Opening Balances | 210 | 52 |
| Add: Revenue recognised during the year | 352 | 210 |
| Less: Invoices during the year | 210 | 52 |
| **Closing Balance** | **352** | **210** |

Changes in the unearned revenue balances during the year ended March 31,2022 and March 31,2021 are as follows:

(Amount in Lacs.)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unearned Revenue:** | | |
| Opening Balances | 253 | - |
| Less: Revenue recognised that was included in the unearned revenue at the beginning of the year | 253 | - |
| Add: Invoices during the year(excluding revenue recognised during the year) | 33 | 253 |
| **Closing Balance** | **33** | **253** |

## NOTE 39 BUSINESS COMBINATION

### Acquisition of Eternus Private Limited

On 30 November 2021, the Company has acquired 100% stake in Eternus Pvt. Ltd. for a cash consideration of ₹ 17262.1 Lakhs (discounted value 15953.01 Lakhs ) as per the terms and conditions of the Share Purchase Agreement including amendments thereof entered between the Company and Eternus.

### (A) Purchase consideration transferred:

| Particulars | Amount |
|---|---|
| Upfront cash consideration (Including holdback consideration) | 11,062 |
| Part of Deferred Consideration | 6,200 |
| **Total** | **17,262** |

**Part of Deferred Consideration**
The funds lying in escrow account will be release to the sellers based on the validity of conditions that existed at an acquisition date and are not dependent on the future performance of entity. Further, as the escrow arrangement is only protective in nature. Therefore, escrows will not be considered as contingent consideration. It is instead required to be treated as part of the consideration for the business combination on the date of acquisition and consequently should be considered for computation of goodwill in relation to the acquisition.

**(B) Details of assets acquired:**
The fair values of identifiable assets acquired as at the date of acquisition were:

| Particulars | Amount |
|---|---|
| **Tangible Asset** | |
| Net Working Capital | 351 |
| Property, Plant and Equipment | 122 |
| Other non current assets | 57 |
| Non Current Investment | 3,390 |
| **Total Tangible Asset (A)** | **3,920** |
| **Identified Intangibles Assets** | |
| Customer Relationship | 2,491 |
| Sales Force Platinum | 8,272 |
| Developed Technology | 133 |
| **Total Intangibles Assets (B)** | **10,897** |
| **Total (C)=(A)+(B)** | **14,817** |
| **Purchase Consideration (D)** | **15,953** |
| Other Adjustments (E) | - |
| **Goodwill (E)=(D)-(C)-(E)** | **1,136** |

- Net Working Capital (trade receivables, inventory, security deposits, prepaid rent and other current assets) and current liabilities (trade payables, and other current liabilities) are realizable/ payable in short to medium term. Hence these have been considered at their respective book values in our analysis (i.e. book values considered as a proxy to their Fair Value).

- Other Adjustments include surplus assets, lease liabilities, debt-like items, deferred tax assets as per acquisition date consolidated balance sheet of Eternus Pvt. Ltd.

**(C) Impact of acquisition on the results:**
The acquired business contributed revenue of ₹ 2329.84 lakhs, profit of ₹ 786.24 lakhs for the period from the date of acquisition (i.e 30 November, 2021) till 31 March, 2022.

**NOTE 40** Previous year figures have been reclassified/regrouped wherever necessary to confirm with Financial Statements prepared under Ind AS.

In terms of our report attached
For **Basant Jain & Co.**
Chartered Accountants
FRN. 005128C

**CA. Basant Jain**
(Partner)
M.No. 073966
UDIN: 22073966AKVGLW2481

**Place :** Indore
**Date :** 27-04-2022

For and on behalf of Board of Directors

**Avinash Sethi**
(Director and Chief Financial Officer)
(DIN : 01548292)

**Mr. Siddharth Sethi**
Managing Director
(DIN : 01548305)

**Surbhi Jain**
(Company Secretary)

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